



Strategic Plan

2025/26 -2029/30





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General Information

Country of incorporation and domicile	Republic of South Africa
Nature of business and principal activities	<p>The nature of the activities of NSFAS is to provide financial assistance in the form of loans or bursaries to eligible students at Public Universities and Technical and Vocational Education and Training (TVET) colleges, and to administer such loans and bursaries.</p> <p>Following the pronouncement of the bursary funding program by the former President of the Republic of South Africa in December 2017, financial assistance from the Department of Higher Education and Training (and certain other funders) to all eligible students is now in the form of bursaries from the 2018 academic year. For students commencing studies prior to the 2018 academic year, and where financial assistance was provided in the form of loans. In 2024, there was a reintroduction of the loan scheme for the “missing-middle” student.</p>
Accounting Authority	The NSFAS Board will oversee the implementation of the NSFAS in alignment with section 29(1)(b) of the Constitution of the Republic of South Africa, 1996, which guarantees the right to further education. Recognizing that right is progressive, the Board will ensure that financial aid is allocated in a manner that is equitable, transparent and within the reasonable measures and resources available to the state, thereby making education progressively accessible to qualifying students. As per Government Gazette No. 52124, the new NSFAS Board was appointed effective from 01 February 2025.
Executive Officer and Board Members	<p>Waseem Carrim (Acting Executive Officer)</p> <p>Dr Karen Stander (Chairperson)</p> <p>Ndileka Eumera Portia Loyilane (Board Member)</p> <p>Richard Tlou Ramashia (Board Member)</p> <p>Adv Lavarandran Nanda GoPaul (Board Member)</p> <p>Philisiwe Sibiya (Board Member)</p> <p>Clarida Elizabeth Simpson (Board Member)</p> <p>Prishka Mahesh (Board Member)</p> <p>Dr Siyanda Mngadi (Board Member)</p> <p>Karabo Mohale (Board Member)</p> <p>Johanna Maphutha (Board Member)</p> <p>Mugwena Maluleke(Board Member)</p> <p>Dr Marcia Socikwa (Board Member)</p>
Registered office	18 - 20 Court Road Wynberg Cape Town 7800
Business address	The Halyard 4 Christiaan Barnard St, Cape Town City Centre Cape Town 8001

Country of incorporation and domicile	Private Bag X1 Plumstead Cape Town 7801
Bankers	FNB Corporate Bank (Cape Town), a division of FirstRand Bank Limited Standard Bank of South Africa Limited
Auditors	Auditor-General of South Africa
Website	www.nsfas.org.za

Abbreviation/ Acronyms

AFS	Annual Financial Statements	ISO9000	International Standards on Quality Management
AGSA	Auditor - General of South Africa	IT	Information Technology
AIP	Audit Improvement Plan	KPI	Key Performance Indicator
AOPO	Audit of Predetermined Objectives	LRA	Labour Relations Act
AP	Annual Performance	MEC	Member of the Executive Council
APP	Annual Performance Plan	MoA	Memorandum of Agreement
AR	Annual Report	MoU	Memorandum of Understanding
ARC	Audit And Risk Committee	MTEF	Medium-Term Expenditure Framework
ASB	Accounting Standards Board	MTSF	Medium-Term Strategic Framework
ASISA	Association for Savings and Investment South Africa	MTT	Ministerial Task Team
B-BBEE	Broad-Based Black Economic Empowerment	NBA	NSFAS Bursary Agreement
CAMS	Corporate Access Management Services	NCA	National Credit Act
CACH	Central Application Clearing House	NCOP	National Council of Provinces
CCSO	Chief Corporate Services Officer	NCR	National Credit Regulator
CEO	Chief Executive Officer	NCV	National Certificate (Vocational)
CFO	Chief Financial Officer	NDP	National Development Plan
CGICTAS	Corporate Governance of Information and Communications Technology Assessment Standards	NOCLAR	Non-Compliance to Laws and Regulations
CIO	Chief Information Officer	NSDS	National Skills Development Strategy
COO	Chief Operations Officer	NSF	National Skills Fund
CRO	Chief Risk Officer	NSFAS	National Student Financial Aid Scheme
CSIR	Council for Scientific and Industrial Research	OHSA	Occupational Health and Safety Act
DBE	Department of Basic Education	PACS	Payment and Collection Services
DHET	Department of Higher Education and Training	PAIA	Promotion of Access to Information Act
DMV	Department of Military Veterans	PAJA	Promotion of Administrative Justice Act
DOH	Department of Home Affairs	PCHET	Portfolio Committee on Higher Education and Technology
DOL	Department of Labour	PFMA	Public Finance Management Act
DSD	Department of Social Development	PIC	Public Investment Corporation
DSU	Disability Support Unit	PPP	Public Private Partnerships
ECPG	Eastern Cape Provincial Government	PPPFA	Preferential Procurement Policy Framework Act
EE	Employment Equity	PWD	Persons with Disabilities
EEA	Employment Equity Act	PSET	Post School Education and Training
EES	Employment Engagement Survey	QMS	Quality Management System
EME	Exempted Micro Enterprises	QSE	Qualifying Small Enterprises
EO	Executive Officer	RMA	Rand Mutual Assurance
ESS	Employee Self-Service	SAICA	South African Institute of Chartered Accountants
ETDP	Education, Training and Development Practices	SAMSA	South African Maritime Safety Authority
EXCO	Executive Committee	SAQA	South African Qualifications Authority
EXMA	Executive Management	SARS	South African Revenue Service
FRM	Funder Relationship Management	SCER	Select Committee on Education and Recreation
FTENs	First-Time Entering Students	SCM	Supply Chain Management
GDP	Gross Domestic Product	SCOPA	Standing Committee on Public Accounts
GIP	Graduate Internship Programme	SETA	Sector Education and Training Authority
GM	General Manager	SIEM	Security Information and Event Management
GRAP	General Recognised Accounting Practices	SOP	Standard Operating Procedures
HE	Higher Education	SRC	Student Representative Council
HR	Human Resources	TEFSA	Tertiary Education Fund of South Africa
HRMS	Human Resources Management System	ToR	Terms of Reference
ICT	Information and Communication Technology	TR	Treasury Regulations
		TVET	Technical and Vocational Education and Training
		UIF	Unemployment Insurance Fund



Foreword by the Executive Authority



Dr Nobuhle Nkabane
Minister of Higher Education and Training

It is my privilege to present the 2025/26 -2029/30 Strategic Plan for the National Student Financial Aid Scheme (NSFAS). NSFAS remains a cornerstone of our government's agenda to ensure equitable access to higher education and training in line with the National Development Plan 2030 Vision (NDP), the priorities of the 7th Administration, and the Medium-Term Development Plan 2024-2029 (MTDP). The MTDP 024-2029 identifies several themes, which include education and training to which NSFAS is central.

This Strategic Plan implements the NDP aspirations and takes into consideration the remaining five years critical in repositioning of the Post-School and Education Training (PSET) sector to effectively respond to national goals and imperatives.

The overall goals for the education sector in the NDP are very clear and focus on increasing enrolment in higher education, TVET colleges, and community colleges. Other elements of the

goal place emphasis on strengthening skills development, of which NSFAS is well positioned, particularly around facilitating access to higher education. The research observation made by the Department of Planning, Monitoring and Evaluation shows that state capacity is weak in the PSET sector, and that limited progress has been achieved against NDP goals. Significant failures were noted in the enrolment targets for TVET and community colleges. The low throughput rates in TVET colleges, insufficient funding, and infrastructure are some of the constraints that the sector must look at. Correcting the misalignment between programs offered and skills required by the economy will receive attention in the design of our eligibility policies and incentives provided.

Part of the strategic interventions that must be considered and realised in the next five years will be the size and shape of the TVET sector. NSFAS will create the necessary incentives to make TVET participation attractive. The review of the funding system remains a critical consideration, including improving throughput and quality in the PSET system.

The Government of National Unity has set out three key strategic priorities that are interlinked and interrelated to end poverty, unemployment, and inequity, namely:

1. Inclusive growth and job creation;
2. Reduce poverty and tackle high cost of living; and
3. A capable, ethical and developmental state.

We are fully aware of the critical role of NSFAS which is to provide financial aid to eligible students and ensure that the skills pipeline required to fuel South Africa's economic recovery remains uninterrupted. This role cuts across the three priorities of government given the opportunities and doors that must be opened for many underprivileged young people to participate in higher education and ultimately break the barriers of poverty and overcome class divisions that have characterised the South African society for many years.

Given the status of the entity, there is no doubt that NSFAS must improve on its governance, which includes strengthening internal controls and leadership stability. The newly appointed Board and acting Chief Executive Officer have a crucial responsibility to restore governance and set a precedence for accountability in the

state-funded entities. This Board will, amongst other things, lead and oversee the execution of this strategy, ensuring that NSFAS operates with integrity, prioritises student needs, and effectively delivers on its mandate. Furthermore, the entity will have to work hard to restore public confidence and trust. I have already seen the strides to improve and restore this confidence based on the interventions implemented by the Administrator.

This strategy is well-placed to guide NSFAS for the next five years whilst ensuring that it renews itself. I wish to express my sincere gratitude to the outgoing Administrator of NSFAS and the NSFAS staff for their dedication to ensuring the success of this institution. I also thank our stakeholders – institutions of higher learning, student bodies, and government partners – for their ongoing support. Together, we are creating a future where no young person is denied access to higher education due to financial constraints. Our collective efforts will see NSFAS continue to play a pivotal role in building a skilled and capable workforce to drive South Africa's growth and prosperity.

I look forward to the successful implementation of this strategy, a firm plan that will guarantee its execution, and to seeing NSFAS strengthen its role as an enabler of education for millions of South Africans.

Dr Nobuhle Nkabane
Minister of Higher Education and Training

Statement by the Chairperson of the Board



Dr Karen Stander
NSFAS Board Chairperson

I am pleased to present the National Student Financial Aids Scheme (NSFAS) five-year Strategic Plan on behalf of the Board. The plan marks the beginning of a new era that will be characterised by urgent reflection, strategic reform, and decisive action to ensure that the entity effectively responds to a generation of youth seeking opportunity, economic inclusion, and social mobility.

The higher education landscape is ever evolving, and the rate of evolution requires that we build a modern, conscious, and responsive institution that can keep up with the current and future trends. Given that attaining education is not a destination but rather a lifelong process that encompasses what happens in society, in the sector, and in the economy, attentive listening and decisive action are what will direct our paths along the journey.

At the centre of the work that we do as a collective is to drive un-

interrupted attention towards the productive sector of the economy and align our work to the Medium-Term Development Plan, which sets out five goals for the term:

- A more equal society where no person lives in poverty
- A capable state delivering basic services to all citizens
- A dynamic, growing economy
- A safe and secure environment
- A cohesive and united nation

There is no doubt that NSFAS forms a fundamental pillar towards fighting barriers of access and redress; the entity is a critical anchor towards building a developmental, capable, and ethical state. The challenges facing the entity are well documented and located within the higher education landscape, which is constantly evolving, and require institutions and the entity to be agile, innovative, and responsive. The persistent failures that have hindered the entity's ability to effectively deliver its mandate largely stemmed from governance instability, financial mismanagement, outdated systems, and a lack of accountability.

Governance and Leadership Instability: Since 2017, NSFAS has been plagued by leadership turnover, with the average tenure of a CEO lasting just one year. This instability has resulted in poor financial oversight, delayed payments, and recurring audit failures. Loss of public trust, as students face uncertainty about their funding and institutions struggle with delayed reimbursements, has resulted in organisational reputational damage.

Financial and Operational Inefficiencies: The lack of a structured Resource Allocation Model (RAM) has led to irregular spending, contract disputes, and students being defunded mid-study and others receiving funding while not in the system. A common feature includes delayed disbursements that disrupt academic progress and poorly managed student accommodation.

ICT and Data Security Failures: Outdated infrastructure and weak cybersecurity measures have exposed NSFAS to vulnerabilities, contributing to adverse findings in the Auditor-General's report.

The Challenge of the Post-Administration Period

While placing NSFAS under administration was necessary, it was not without complications; short-term fixes often replaced long-term solutions, institutional uncertainty led to low morale and operational delays, and a backlog of unresolved issues now falls to the incoming Board to address.

The principal question that will occupy the Board is "How do we move NSFAS from instability to an institution that is vibrant, effective, and future-ready?" and the answer lies between two critical paths – recovery road and reimagination of the future-fit NSFAS.

The road to recovery:

A blueprint for a stronger NSFAS is needed, and the key outcomes spelled in the five-year plan provide an opportunity to reimagine and modernise the entity, ensuring it becomes a pillar of access, redress, and economic empowerment. The recovery and stability plan will focus on five key pillars:

- **Leadership Stability and Strong Governance:** Strengthen the Board's oversight role, emphasising transparency, accountability, and ethical leadership.
- **Financial Accountability and Sustainability:** Develop a data-driven funding model aligned with national developmental goals and prioritising financial sustainability. Ensuring compliance through independent audits, financial transparency, and alignment of funding with productive sectors of the economy to drive student employability.
- **Technology as an Enabler:** Upgrade ICT infrastructure to eliminate fraud, improve data security, and enhance efficiency. Implement a real-time student tracking system for transparency in funding decisions and automate key administrative processes to reduce bureaucratic delays.
- **Student-Centered Service Delivery:** Decentralise NSFAS operations through regional hubs, ensuring accessibility and efficiency. Establishing a dedicated Disbursement Unit to prevent payment delays and enhance student support services to provide timely assistance and dispute resolution.
- **Safe and Sustainable Student Accommodation:** Decentralise accommodation accreditation and management for greater efficiency

A Call to Action: Transforming NSFAS for the Future

The next five years require more than just a reform – but a bold reimaging of NSFAS's role in South Africa's development. Addressing the "Missing Middle" is pivotal and must include solutions for students who do not qualify for full NSFAS funding but still struggle to afford education. Exploring a sustainable funding model that meets the students' increasing call for postgraduate support. Building an inclusive and agile NSFAS recognising that the higher education sector is not homogenous, the reforms will ensure equitable service delivery across universities and TVET colleges.

NSFAS cannot afford another cycle of failure but must become a success story that embodies stability, efficiency, and transformation as originally conceived.

A handwritten signature in black ink, appearing to read 'K Stander', written over a horizontal line.

Dr Karen Stander
NSFAS Board Chairperson

Statement by the Acting Chief Executive Officer



Mr Waseem Carrim
Acting Chief Executive Officer

The appointment of the Board marks the end of the “administration period,” which lasted for just under eleven months. This transition coincidentally aligns with the new term of government under the government of National Unity (GNU), which is anchored around three national priorities that are interrelated and inter-linked:

- Inclusive growth and job creation;
- Reduce poverty and tackle the high cost of living; and
- A capable, ethical and developmental state.

The above priorities further guide the implementation of the National Development Plan 2030 vision, which only has the remaining five years for the country to contribute towards the aspirations outlined therein. The NDP 2030 vision aligns the country’s planning with the regional and international obligations outlined in the United Nations’ Sustainable Development Goals (SDGs),

the African Union’s Agenda 2063, and the Southern African Development Community’s (SADC’s) Revised Regional Indicative Strategic Development Plan regarding education. NSFAS is particularly alive to South African G20 Presidency and Education Working Group (EdWG) which is grappling with several issues, including a shift towards recognising skills and competencies rather than just formal qualifications and encouraging the development of frameworks that support micro-credentialling, thus recognising experiential and non-formal learning.

I have taken on the responsibility to steer the entity through a period of significant transition. My role will be primarily to implement the Board strategy, which is centred around the recovery and transformation of NSFAS to become a future-fit entity. This entails stabilising and restoring the entity and ensuring sound governance, accountability, operational efficiencies, sustainability, and student-centric service delivery.

The NSFAS strategy document is anchored on six strategic outcomes, carefully formulated in response to the Ministerial imperatives, the seventh (7th) administration priorities, and PSET outcomes. These outcomes are statements of intent signalling what the entity seeks to achieve over the next five years as broad objectives and goals.

1. An institution that is led by accountable individuals, teams and is governed ethically.
2. A student-centric organisation that enjoys the trust of stakeholders in the PSET sector and is focussed on the development of South Africa’s skills development strategy.
3. An institution that is financial sustainable, adheres to sustainability best practice and has long term financial accountability and viability.
4. An organisation that has modern day Information, Communication and Technology, is people-centred, has standard operating processes, and relevant tools of trade/systems.
5. An institution with the right skills, culture and personnel to deliver on the strategy and mandate of NSFAS.
6. Improving access to higher education for eligible students from low-income and working-class families.

Detailed measurements in terms of performance indicators and targets are outlined in the performance

framework of this plan and further cascaded into the Annual Performance Plan linked to this strategic document. Whilst this plan provides strategic focus of the institution, a lot has been done to steer the entity towards stability. NSFAS still has a mountain to climb regarding student accommodation and payments to accommodation providers, part of which relies on the honest declaration by students in terms of where they reside, as well as accommodation providers following defined procedures in the confirmation of students in their properties.

This strategic plan is a dynamic document that will allow further strategic reflections and accommodate the generation of innovative ideas that will be championed by the Board. The strategic focus areas are designed to ensure that NSFAS is not only equipped to meet its current obligations but is also prepared to respond to future challenges, particularly in providing sustainable funding for expanding access to higher education for all South Africans. Our collective efforts, with the support of the Board, Department of Higher Education and Training, institutions, and stakeholders, will see NSFAS emerge stronger, more resilient, and better positioned to fulfill its mandate.

A handwritten signature in black ink, appearing to read 'Waseem Carrim', written over a horizontal line.

Mr Waseem Carrim
Acting Chief Executive Officer

Official Sign-off

It is hereby certified that this Strategic Plan:

- Was developed by the management of NSFAS under the guidance of Dr Nobuhle Nkabane, Minister of Higher Education and Training.
- Takes into account all relevant policies, legislation, and other mandates for which NSFAS is responsible.
- Accurately reflects the impact and outcomes that NSFAS will endeavour to achieve over the period 2025/26 to 2029/30.

Name	Designation	Signature
Mr. Thulani Melula	Acting Chief Information Officer	
Ms. Sibongile Mncwabe	Corporate Services Executive	
Ms Dorothy Mayoli	Risk, Legal and Compliance Executive	
Mr. Errol Makhubele	Chief Operations Officer	
Mr. Lufuno Nematswerani	Human Resources Executive	
Ms. Vuyokazi Mafilika	Strategic Enablement Executive	
Mr. Rodgers Hlatshwayo	Senior Manager: Planning and Performance	
Ms. Luhle Tshangela	Acting Chief Financial Officer	
Mr. Waseem Carrim	Acting Chief Executive Officer	
Dr. Karen Stander	NSFAS Board Chairperson	
Honourable Dr. Nobuhle Nkabane, MP	Minister of Higher Education and Training	



Part A:

Our Mandate



1. Constitutional mandate

The Constitution of the Republic of South Africa, 1996

The Bill of Rights of the Constitution of the Republic of South Africa Act (108 of 1996, as amended) states in section 29 (1): “Everyone has the right... (a) to basic education, including adult basic education; (b) and to further education, which the state, through reasonable measures, must make progressively available and accessible.”

NSFAS contributes to the attainment of the rights described in section 29 by providing financial aid to students from poor and working-class families. NSFAS enables these students to access post-school education, thereby redressing the results of past racially discriminatory laws and practices. The NSFAS mandate includes raising funds for student loans and bursaries and the recovery student loans.

NSFAS’s core objectives are based on the following Constitutional mandate:

(i) The Constitution of the Republic of South Africa, 1996

NSFAS was established according to the National Student Financial Aid Scheme Act (Act 56 of 1999 as amended) and incorporated TEFSA (Tertiary Education Fund of South Africa) from 1993 to 2000. TEFSA was the primary non-profit company in terms of Section 21 of the Companies Act and ceased to operate in July 2000. All existing loans on the TEFSA books were transferred to NSFAS.

The Constitution of the Republic of South Africa (Act 108 of 1996) also establishes two key bodies that play an oversight role over NSFAS. The Portfolio Committee on Higher Education and Training is established by the rules of the National Assembly as enshrined in section 57(2) (a). The Committee is therefore an extension of the National Assembly and derives its mandate from Parliament.

The Select Committee on Education and Recreation is a committee of the National Council of Provinces (NCOP). One of the functions of this Committee is to monitor the financial and non-financial performance of government departments and their entities to ensure that national objectives are met.

(ii) The NSFAS Act 56 of 1999, as amended, is established to provide the following:

- Provide bursaries to eligible students;
- Develop criteria and conditions for the granting of bursaries to eligible students in consultation with the Minister of Higher Education, Science and Innovation;
- Raise funds;
- Recover past loans;
- Maintain and analyse a database and undertake research for the better utilisation of financial resources;
- Advising the Minister on matters relating to financial aid for students; and
- Undertaking other functions assigned to it by the NSFAS Act 56 of 1999 as amended or by the Minister.

(iii) Following various ministerial and task team reports over the past few years, the DHET has recognised the need for the NSFAS Act to be reviewed. A task team was put in place to consider the critical changes that need to be made to the Act. These changes had to be in line with key recommendations from the MTT report and the NSFAS practices which evolved over time in response to changing needs within the sector and codified through rules produced by NSFAS.

Following the fee-free education announcement, the Minister of Higher Education and Training published regulations in the (Government Gazette Vol. 631, No. 413901) to the NSFAS Act for public comment which confirms NSFAS’s mandate, in consultation with the Minister (Government Gazette Vol. 634, No. 415542) in that it may determine and revise criteria for eligibility for financial aid and set different eligibility criteria for different forms of financial aid.

The regulations also expand NSFAS’s mandate to include:

- Entering Public/Private Partnerships (PPPs) to enable NSFAS to extend, and/or administer, and/or recover loans granted for financial aid; and
- Making payment of such an amount of the loan or bursary as is not payable to the institution, to the borrower or bursar or the approved service provider for payment to the borrower or bursar.

2. Legislative and policy mandates

Legislative mandate

The legislations outlined below make provision for government planning, monitoring of performance, reporting and evaluation.

i) Public Service Regulations, 2016

Chapter 3 of the Public Service Regulations provides requirements for the preparation of strategic plans, annual reports and the Service Delivery Improvement Plan. Regulation 25 outlines the requirements for the development of strategic plans and related reporting systems. Regulation 31 makes provision for the development, tabling, and submission of annual reports. Regulation 38 provides the requirements of the Service Delivery Improvement Plans which must be informed by the Strategic Plans.

ii) The Republic of South Africa (1997) Higher Education Act, No. 101 of 1997 aims to:

- Regulate higher education;
- Provide for the establishment, composition, and functions of a Council on Higher Education;
- Provide for the establishment, governance, and funding of public higher education institutions;
- Provide for the appointment and functions of an independent assessor;
- Provide for the registration of private higher education institutions;
- Provide for quality assurance and quality promotion in higher education; and
- Provide for transitional arrangements and the repeal of certain laws; and to provide for matters connected therewith.

iii) The Continuing Education and Training Act, No. 16 of 2006 aims to:

- Enable students to acquire-
 - i The necessary knowledge;
 - ii Practical skills; and
 - iii Applied vocational and occupational competence.

- Provide students with the necessary attributes required for:-
 - i Employment
 - ii Entry to a particular vocation, occupation, or trade; or
 - iii Entry into a higher education institution.

The Act applies to all education institutions established or declared as public colleges or registered as private colleges in terms of this Act.

iv) Public Finance Management Act 1 of 1999

As a public entity, NSFAS is also subject to the Public Finance Management Act (PFMA), Act 1 of 1999, in terms of which NSFAS is listed as a Schedule 3A public entity. The NSFAS Act specifies that the board must manage, govern, and administer NSFAS. The Act requires the board to establish a five-member board executive committee and a board finance committee. NSFAS is listed as a Schedule 3A national public entity in terms of the PFMA. These entities are extensions of a department with the mandate to fulfil a specific economic or social responsibility of government. Boards of public entities have considerable fiduciary responsibility, including the “reasonable protection of the assets and records of the public entity” and prevention of “any prejudice to the financial interests of the state”.

v) Treasury Regulations, 2005

The Treasury Regulations outline the requirements for the development and submission of strategic plans, as well as related quarterly performance reporting. In addition, National Treasury Note 33 of 2011 regulates the development of Strategic and Annual Performance Plans according to the framework for Strategic Plans and Annual Performance Plans.

vi) Public Audit Act, 2004 (Act 25 of 2004)

This Act assigns the supreme auditing function to the Auditor-General, which includes the auditing of the administrations of public entities. Audit reports on all entities are tabled in Parliament.

vii) National Credit Act (Act 34 of 2005)

NSFAS is subject to the National Credit Act (NCA) (Act 34 of 2005), which requires all credit providers to register with the National Credit Regulator (NCR). The NCA prevails over all other legislation dealing with the provision of credit. NSFAS is registered as a credit provider under registration number NCRP 2655.

viii) National Student Financial Aid Scheme Act, Ac No. 56 of 1999 (NSFAS Act):

Provides for the granting of loans and bursaries to eligible students attending public higher education institutions (HEIs), as well as for the administration of such loans and bursaries. By providing financial assistance to disadvantaged students, the Act aims to contribute to the development of a skilled and educated workforce, which is essential for South Africa’s economic growth and development.

Policy mandate

(i) White Paper for Post-School Education and Training (WPPSET)

The Department of Higher Education and Training introduced the WPPSET in 2014, which sets out a vision for a post-school education system that enriches lives, promotes social justice and overcomes historical inequalities.

The WPPSET provides policy direction and aims to achieve:

- A transformed, non-discriminatory, youth-focused and adult user-friendly PSET system.
- An expanded, diverse, purposefully differentiated, fit-for purpose PSET system
- An articulated PSET system.
- An accessible and successful PSET system.
- A PSET system that is strongly linked to the world of work. To realise this vision, the Minister will approve the NPPSET, which is an Implementation Plan for the WPPSET.

(ii) National Development Plan 2030

The NDP is a long-term vision for the country, which provides a broad strategic framework to guide key government choices and actions and focuses on the critical capabilities needed to transform the economy and society. It regards education, training, and innovation as central to South Africa’s long-term development. Chapter 9 of the NDP focuses on improving education, training and innovation. The PSET system is expected to meet a wide range of education and training needs of our nation, particularly the youth.

(iii) Policy Framework for the Government-Wide Monitoring and Evaluation System (2005)

The framework identifies programme performance information as one of the data terrains underpinning GWME, focusing on information that is collected by government institutions while fulfilling their mandates and implementing government policies.

(iv) Framework for Managing Programme Performance Information (2007)

The framework outlines the key concepts in the design and implementation of management systems to define, collect, report, and use performance information in the public sector. This framework stipulates that performance information is essential to focus the attention of the public and oversight bodies on whether public institutions are delivering value for money, by comparing their performance against their budgets and service delivery plans and to alert managers to areas where corrective measures are required.

3. Institutional policies and strategies governing the five-year planning period

The DHET has recently introduced the Comprehensive Student Funding Model to support different categories of students, including those who are currently not covered by the mainstream funding from NSFAS, to access education and training opportunities at South African public institutions. This policy direction is a clear indication that the government is prioritising access to education, especially to those sections of our communities that had no access to post-school education and training in the past.

NSFAS eligibility criteria and conditions for financial aid define the conditions for granting and administering funding to eligible students studying at an institution in South Africa. The policy will continue to provide a consistent and fair approach to assess and determine financial and academic eligibility for new applicants and continuing students.

Whilst the NSFAS has been pivotal in providing financial assistance to deserving students across South Africa, it had a limited understanding of region-specific needs and socio-economic contexts relevant to the students serviced. The centralised nature of NSFAS operations has led to inefficiencies and delays in service delivery. Various stakeholders, including institutions; students’ formations; accommodation providers and other interested parties have made a call on the importance of NSFAS to regionalise its operations and services. The entity will in the next few years explore options to ensure that organisation is accessible to critical stakeholders and consequently improve service delivery.

Table 1: Strategic Objective and Key Outcomes

Strategic Objectives	Key Outcomes
Leadership and Governance	An institution that is led by accountable individuals, teams and is governed ethically.
Institutional integrity	A student-centric organisation that enjoys the trust of stakeholders in the PSET sector and is focussed on the development of South Africa’s skills development strategy.
Financial integrity, viability and sustainability	An institution that is financial sustainable, adheres to sustainability best practice and has long term financial accountability and viability.
Organisational capability	An organisation that has modern day Information, Communication and Technology, is people-centred, has standard operating processes, and relevant tools of trade/systems
Organisation design and people centred	An institution with the right skills, culture and personnel to deliver on the strategy and mandate of NSFAS.

Our Strategic Approach

NSFAS is not a bank, nor a social welfare agency, nor a debt collector. It is a national public investment vehicle designed to unlock the human potential of South Africa through differentiated, transparent, and accountable funding instruments. We will realign our operations to reflect the three distinct student segments we serve: those who need bursaries, those who require transitional support (the missing middle), and those with historical debt obligations.

Value Statement

The value NSFAS seeks to create is not transactional, it is transformational. We exist to enable access to opportunity and economic mobility for every eligible student in South Africa. Through transparent, inclusive, and strategically aligned funding, we will produce a generation of graduates who are not only equipped for the labour market but empowered to shape society. The return on investment is realised in social dividends: reduced inequality, enhanced innovation, and national resilience. Our value lies in delivering more than financial aid, deliver dignity, potential, and the foundation for shared prosperity.

Change Management Considerations

Strategic repositioning without cultural alignment will fail. While the direction is clear, the will to change is not evenly distributed. Resistance from within the organisation—especially at the level of operational leadership—requires deliberate, values-driven change management. Drawing from the principles in Tribal Leadership, real transformation depends on moving organisational culture from self-interest (“what’s in it for me”) to shared purpose (“how do we make this work for the students of South Africa?”). This requires aligning teams behind a higher cause, rewarding collaborative behaviours, and intentionally elevating the language, rituals, and mindset that support the turnaround. Change must not only be led from the top but built from within.

NSFAS Strategy Diamond

1. Arena:

- **Target Segments:** Poor and working-class students (bursaries), students who don’t qualify for bursaries but can’t afford tuition (missing middle), and students with legacy loan debt.
- **Scope of Services:** Funding allocation, disbursement, and student support across all 26 public universities and 50 TVET colleges.
- **Geographic Reach:** National footprint with planned decentralisation to regional centres.
- **Institutional Role:** Repositioned from a transactional funder to a national public investment vehicle enabling social mobility and economic inclusion.

2. Vehicles:

- **Direct Disbursement Platforms:** New fintech-enabled student payment systems.
- **Regionalised Service Model:** NSFAS support presence embedded at institutional and provincial level.
- **Data Partnerships:** Integrated, real-time data exchange with DHET, SARS, SASSA, Home Affairs, and institutions.
- **Digital Infrastructure:** New ICT architecture and decentralised dashboards to support performance management and student-centred service delivery.

3. Differentiators:

- **Constitutionally Aligned Mandate:** Rooted in justice, access, and transformation.
- **Segmented Model:** Separate instruments and strategies for bursaries, loans, and missing middle—each with clear performance frameworks.
- **Transparency & Trust:** Blockchain-enabled audit trails and open data governance.
- **Strategic Partnerships:** Charter-driven coordination with USAF, SAPCO, SATVETSA, SAUS, and DHET.
- **Human Capital Impact:** NSFAS funds future nation builders—not just students.

Strategic partnerships

In line with the principle of collective stewardship and whole-system collaboration, NSFAS will be working closely with various partners which include the following:

- Department of Higher Education and Training (DHET)
- Universities South Africa (USAF)
- South African Public Colleges Organisation (SAPCO)
- South African TVET Student Association (SATVETSA)
- South African Union of Students (SAUS)

The partnership sets out our mutual agreement areas which define and honour clear data exchange protocols, promote collaboration on student accommodation, appeals, registration flows, and appeals. The entity will use this opportunity to ensure that every decision is informed by evidence, equity, and student experience as well as upholding the values of dignity, inclusion, and access to opportunity for all. This shared vision is rooted in the Preamble of the Constitution, which calls us to: *“Improve the quality of life of all citizens and free the potential of each person.”*

Together, we will ensure that the student funding system in South Africa becomes a beacon of ethical governance, strategic coherence, and social impact.

Working with other funders

NSFAS continues to raise funding from government and the private sector to overcome the imbalances of the past by providing grants to individuals coming from poor and middle-class families in terms of its mandate.

Public-Private Partnerships

On 19 January 2018, the Government Gazette 41390 (regarding regulations on additional functions assigned to NSFAS) was published to propose changes to the current NSFAS Act and to call for comments on the proposed changes. One of the proposed changes is summarised below:

- NSFAS may enter into agreements (including public private partnerships) to assist it in fulfilling its mandate in terms of extending, administering, and recovering loans granted and financial aid.
- NSFAS could then enter Public Private Partnerships (PPPs) with a variety of entities in the private or public sectors and investigate options to aid other than DHET funding.
- Manage Strategic partnerships and administer student funding bursary programmes on behalf of various entities for increased access to higher education and improved student financial aid environment.

An Administration Fee is levied for the management of third-party programmes, the administrative costs and associated expenses incurred by NSFAS in discharging its obligations is calculated at a rate of two and half to five per cent (2.5 % - 5%) of the total Programme Funds disbursed by NSFAS in terms of all bursary agreements [MOU/MOA].

4. Relevant court rulings

The consequence of access to higher education being a Constitutional right, opens NSFAS up to numerous litigious challenges from students (current and prospective), tertiary institutions, and public interest groups. Whilst the organisation takes pride in its noble mandate and intent to fulfil the role (Constitutional obligations), NSFAS operates with a limited budget and part of its business model has dependencies on third-party platforms which have inherent risks and delays. The entity is currently engaged in litigation matters that pose a material legal risk to NSFAS, where:

- The Applicants seek a court order to compel NSFAS to fund students studying towards an LLB, as a second degree. The matter was heard by the Supreme Court of Appeal (SCA), which upheld the NSFAS position. The SCA has granted the Applicants leave to appeal the SCA's decision to the Constitutional Court.
- NSFAS cancelled a bid award to a service provider. The service provider has applied to the Western Cape High Court to compel NSFAS to compensate the service provider for loss of profit as a consequence of the bid cancellation.
- A service provider has applied to the Western Cape High Court to interdict NSFAS's decision to move away from instructing payment partners to effect the payment of allowances to students.
- Due to procurement irregularities in the bid process calling for developers and property investors to develop student accommodation properties through offtake agreements, the erstwhile Board took a decision to abandon the project as well as all ancillary agreements thereto. A third party has issued Summons against NSFAS alleging it was declared successful in its bid for offtake arrangements and suffered financial loss due to NSFAS' decision to abandon the project.



Part B:

Our Strategic Focus



5. Vision

A strategically repositioned public investment institution that enables inclusive, transparent, and accountable student funding in South Africa. NSFAS envisions a future where every eligible student—regardless of background—has equitable access to transformative education supported by ethical governance, digital innovation, and a shared commitment to national development and human potential.

6. Mission

To reposition NSFAS as a transparent, accountable, and student-centred public investment vehicle that unlocks the potential of South Africa’s youth. We aim to deliver differentiated, sustainable, and dignified funding solutions for poor and working-class students, the missing middle, and those with legacy debt—backed by data integrity, ethical governance, and collaborative partnership.

7. Values

Our new and refined values, known as ARISE, are the foundation of our organisation and guide everything we do. ARISE stands for Accountability, Respect, Integrity, Social Justice, and Excellence. Each of these core values reflects our commitment to fostering a positive, ethical, and inclusive environment where every individual feels valued, and our mission can thrive. Together, these principles shape our decisions, our actions, and our dedication to serving our community with the highest standards.

Figure 1: Guiding Principles for a Trustworthy and Innovative Organisation

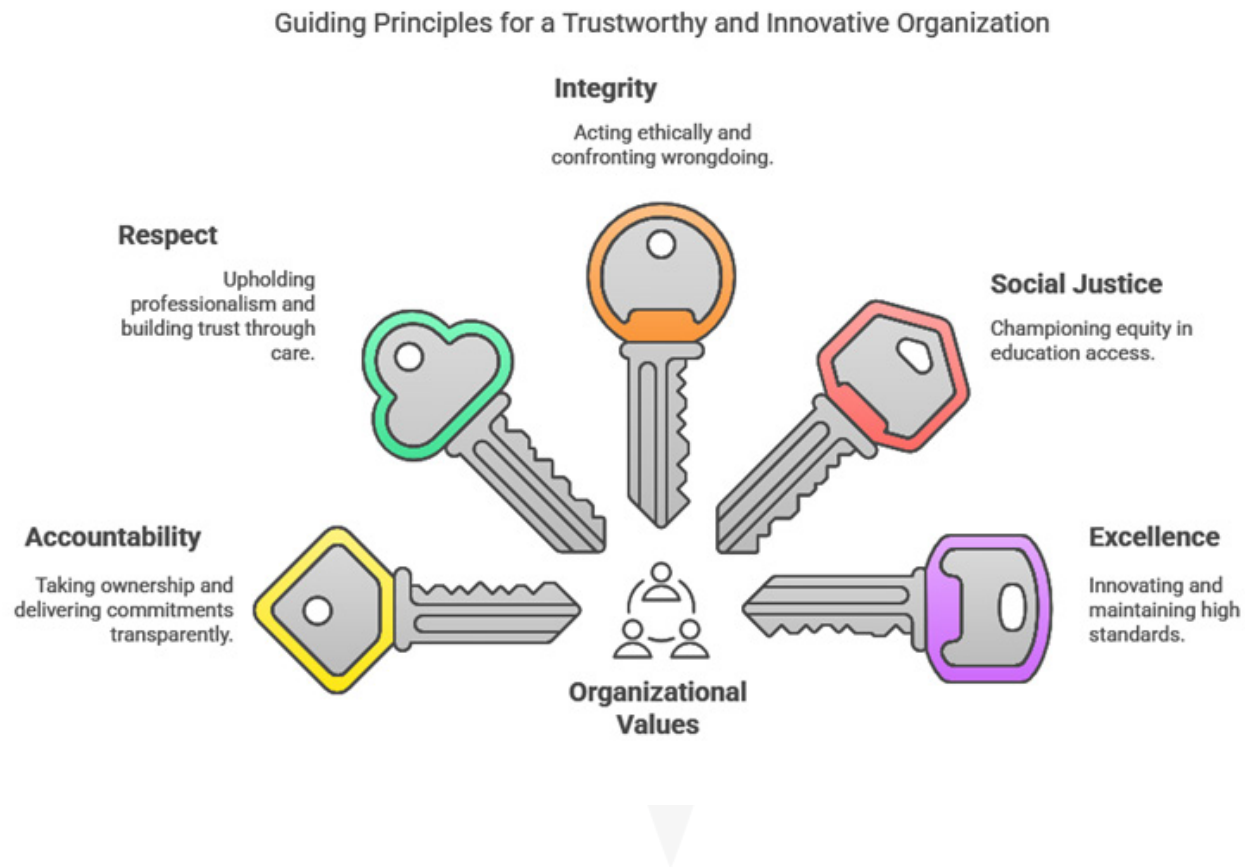


Table 2: Guiding Principles of NSFAS

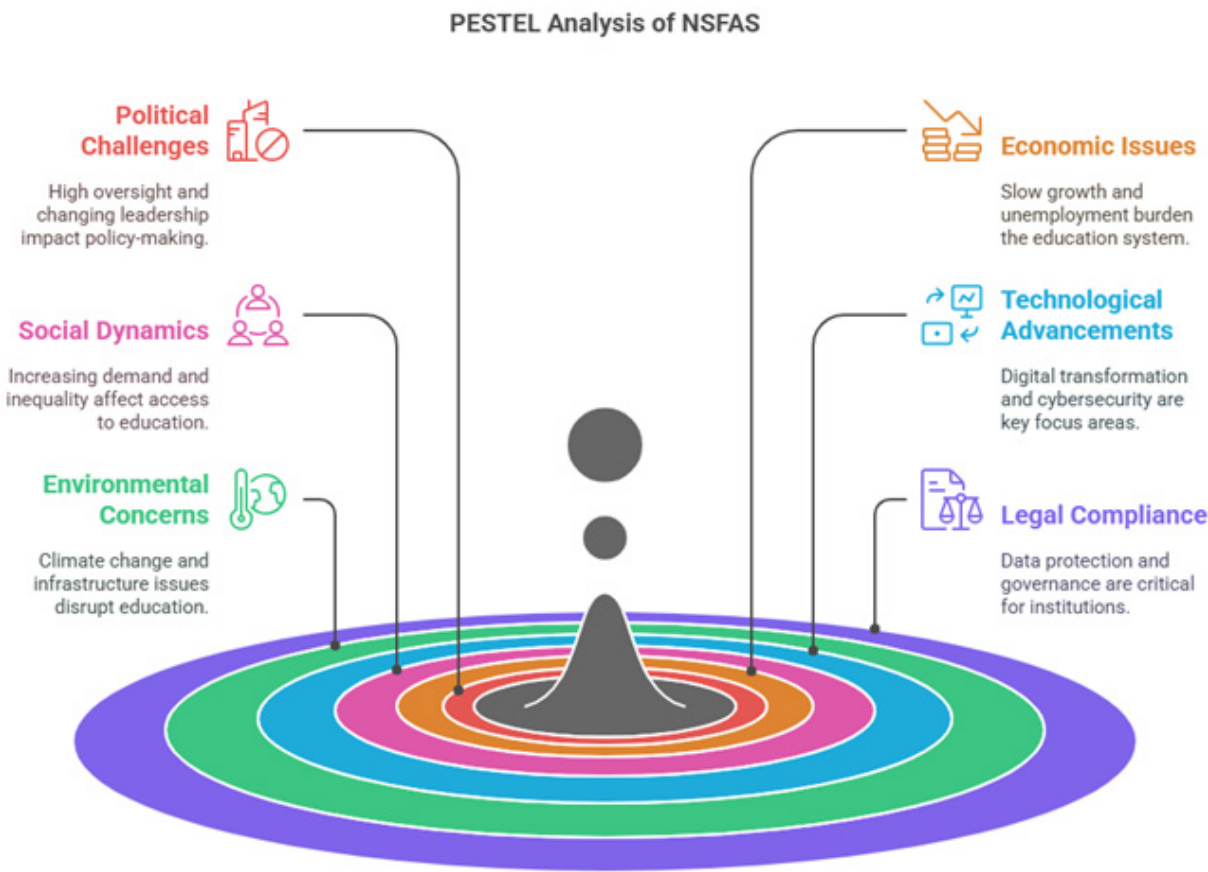
Values (ARISE)	Behaviour (s)
Accountability	We take ownership of our roles, act with transparency, and deliver on our commitments to students, stakeholders, and the Constitution.
Respect	We uphold professionalism and human dignity in every interaction, building trust through care, collegiality, and responsiveness.
Integrity	We act ethically and honestly at all times, confronting wrongdoing and making decisions rooted in the public good.
Social Justice	We champion equity in access to education and ensure our systems reflect the lived realities of South Africa’s diverse student population.
Excellence	We innovate, improve, and execute with rigour—embracing bold change and holding ourselves to the highest standards in everything we do.

8. Situational analysis

8.1 External environment

NSFAS must therefore not only recover and reform but also evolve as a driver of inclusive, technology-enabled, and globally informed education financing.

Figure 2: PESTEL Analysis of NSFAS



Political

The transition to the 7th administration under the Government of Unity has ushered in a new era in the South African state's management and operational framework. The model emphasises a unified strategic vision across political parties guided by the key principles outlined in the strategic intent document which aims to promote an inclusive and equitable governance structure that addresses historical divides and builds a stable foundation for future democratic governance. The foundational principles of the GNU highlight the significance of accountability, transparency and community participation in government; the virtue of social justice, redress and equity and the need to alleviate poverty. In the basic minimum program of priorities, investing in people through education, skills development and affordable quality health care forms part of the government's agenda and places higher education and consequently NSFAS at the centre of the government's program of work.

Economic

Since adopting South Africa's National Development Plan (NDP) in 2012, the country's economic trajectory has experienced a range of challenges and setbacks, leading to underperformance against the NDP's ambitious goals for growth, employment, and development. The NDP¹ had an ambitious target of 5.4% annual GDP growth to reduce unemployment and, poverty and inequality by 2023. Key focus areas included infrastructure development, improved education and health outcomes, and greater inclusivity in the economy. By mid-decade, economic growth began to falter, hampered by both global and domestic challenges. Annual GDP growth slowed to less than 1% by 2019, far below NDP targets.

In 2020, the pandemic exacerbated South Africa's economic challenges leading to government's implementation of the Economic Reconstruction and recovery Plan (ERRP) in response focusing on short-term relief measures aimed at stimulating economic recovery through job creation, structural reforms and infrastructure investments. However, fiscal constraints limited the impact of stimulus measures. Unemployment surpassing 32% by end of 2023 and with youth aged 15-24 years and 25-34 years continuing to have the highest unemployment rates at 59,4% and 39,0% respectively². Whilst on this trajectory, the economy bounced back to recovery with GDP growth reaching approximately 4.9% in 2021³, a growth that was boosted by a global rebound and higher commodity prices. Despite the recovery, structural issues remained unaddressed, with GDP growth again slowing in 2022 and taking the annual growth rate for 2023 to 0.6%⁴. Unemployment remained high, while poverty and inequality worsened, undermining the NDP goals.

The 2024 MTBPS reflects ongoing fiscal challenges, emphasising austerity measures to stabilise debt. It proposes budget cuts across departments, aiming to reduce the fiscal deficit and stabilise the debt to GDP ratio. Whilst on one hand, the government's medium-term strategy remains focused on achieving fiscal sustainability, supporting economic growth and critical social services and has prioritised social wage with nearly 60% of the budget allocated towards health, education, social protection, community development and employment programs. On the other hand, the economy is forecast to grow by 1.1 per cent in 2024 and projected to grow by an annual average of 1.8 percent over the next three years⁵. This subdued performance pushes NSFAS towards potential reforms, efficiency improvements and strategic prioritisation to sustain student support in a challenging fiscal landscape.

Social

In South Africa, a relatively high proportion of the population lives below the poverty line. In the first quarter or 2024, youth (aged 15-34 years) unemployment was recorded at 45.5% by statistics South Africa. The "Towards an Anti-Poverty Strategy for South Africa" was established in (2008) in response to the country's high levels of poverty, inequality, and unemployment, which continue to impact a significant portion of the population. NSFAS is critical in South Africa's broader anti-poverty strategy by addressing educational access

¹ Chapter three: Economy & Employment – National Development Plan vision 2030

² Quarterly Labour Force Survey (QLFS) Q4:2023, Statistics South Africa Presentation <https://www.statssa.gov.za/publications/P0211/Presentation%20QLFS%20Q4%202023.pdf>

³ United Nations South Africa -Recovery from Covid 19 in South Africa.

⁴ <https://www.statssa.gov.za/?p=17053>

⁵ 2024 Medium Term Budget Policy Statement - <https://www.treasury.gov.za/documents/mtbps/2024/mtbps/FullMTBPS.pdf>

a pathway to economic mobility. As part of an anti-poverty framework, NSFAS provides essential financial support to students from low-income backgrounds, helping them acquire the skills needed to enter the labour market. NSFAS is critical in South Africa's broader anti-poverty strategy by addressing educational access as a pathway to economic mobility. As part of an anti-poverty framework, NSFAS provides essential financial support to students from low-income backgrounds, helping them acquire the skills needed to enter the workforce, improve their livelihoods, and break cycles of poverty. This aligns with national objectives to reduce poverty and increase opportunities for social mobility through education.

Additionally, NSFAS operates in an environment where global commitments like the United Nations' Sustainable Development Goal 4 (SDG 4) drive national and international policy agendas focused on inclusive and equitable education. SDG 4's emphasis on access to quality education directly impacts NSFAS's role, as it aligns with the goal of reducing financial barriers to higher education in South Africa.

There is an increased pressure on NSFAS, as more students rely on financial aid to access higher education. Consequently, NSFAS faces heightened demand for funding, which strains its budget and operational capacity. Meeting this demand requires enhanced efficiency, transparent budget management, and sustainable funding solutions to ensure that the scheme can continue supporting access to education students. NSFAS' alignment to SDG 4 also brings challenges. With growing awareness of SDG 4, demand for financial aid has increased as more students seek tertiary education. This intensifies pressure on NSFAS to provide adequate funding and to expand its reach. Additionally, international benchmarks in educational access and quality are raising expectations for NSFAS to adopt efficient, student-centred practices that mirror global best practices in education funding. Therefore, NSFAS must not only scale up resources to meet this rising demand but also strengthen operational efficiency and transparency to uphold SDG 4 standards.

The review of the implementation of the NDP 2030 vision shows limited progress on the Post School Education and Training against NDP goals. The low throughput rates in TVET colleges and declining SETA registrations; insufficient funding and infrastructure constraints in the TVET sector; misalignment between programmes and skills required by the economy remains a challenge. One of the strategic interventions in the PSET space is to increase TVET participation; increase enrolment in community colleges, work-based learning, and artisanship programmes and strengthening engagement with public and private sector employers to improve quality and output, linkages to the economy and work experience particularly in scarce skills areas. Government will continue to implement the fee free education policy adopted in 2018 intended to make tertiary education accessible for students from low and middle-income backgrounds.

Technological

Globally, advancements in technology are transforming financial aid and educational funding systems, with increased automation, data analytics, and digital platforms improving efficiency, and transparency. These global trends offer opportunities to enhance service delivery by adopting robust digital payment systems and employing AI-driven tools to streamline application processing and fraud detection. NSFAS' alignment with the technological trends could improve its responsiveness, reduce administrative delays, and better meet the growing demand for student financial aid in South Africa. However, implementing and maintaining such technologies requires substantial investment, skilled personnel, and strong cybersecurity measures, which may pose challenges given the current budget constraints and system inefficiencies.

Environmental

Climate change is a global reality that faces many governments and organisations including NSFAS and its eco-system partners. The entity has a responsibility to respond positively to climate-related challenges through its funding policy and other strategic interventions at its disposal. Some of the practical interventions should include a focus on funding sustainability-related courses and encouraging eco-friendly student accommodation solutions when accrediting private accommodation providers. Some of the game changers could be in public transport for NSFAS students where non-motorised transport could be used for students living within reasonable distances to learning campuses as part of reducing carbon footprints. One of the features associated with global warming is natural disasters such as floods and droughts which could easily disrupt student life and learning. Similar to how NSFAS has previously responded to COVID-19, the entity

should continue to advocate for a shift to online learning, and further modernisation which minimises physical interaction. Ensuring that staff can work remotely or in a hybrid fashion should be promoted and supported by policy.

Legal

NSFAS operates under the PFMA, NSFAS Act, and POPIA. Governance failures, audit issues, and legal non-compliance threaten legitimacy. Legal considerations are critical to the strategic operations and long-term sustainability of the NSFAS, as they ensure compliance with South Africa’s legal and regulatory frameworks governing public entities and the PSET system. The organisation must operate in accordance with the Public Finance Management Act (PFMA) to maintain accountability, transparency, and efficiency in managing and disbursing bursaries and loans. Non-compliance with the legislation could result in severe consequences, including reputational damage and legal action. Furthermore, the NSFAS must establish clear, fair and legally sound contractual agreements, outlining terms of funding, repayment conditions for the loans, and any other obligations tied to financial aid.

Compliance with South Africa’s Protection of Personal Information Act (POPIA) is another critical consideration, as the NSFAS processes vast amounts of sensitive personal and financial information from the applicants and their guardians. Safeguarding this data through reliable cybersecurity measures and clear privacy policies is essential to avoid breaches, legal penalties, and loss of trust from the public at large. Additionally, the NSFAS must align its policies and practices with evolving government policy on free higher education and funding models.

The NSFAS must comply with the PFMA requirement to submit the annual financial statements to the office of the Auditor General of South Africa, two months after the end of its financial year. Regular audits and reporting by the AGSA ensure that the NSFAS operates within the legal framework and addresses any instances of mismanagement or non-compliance. This will build a foundation of trust, accountability and operational integrity.

Legal reform must clarify mandates (e.g. loan recovery), improve data protection practices, and strengthen contractual frameworks. Transparent, timely AGSA compliance and ethical leadership are non-negotiable pillars of institutional recovery.

Table 3: Summary of PESTEL analysis

Dimension	Key Factors	Implication of Turnaround
Political	<ul style="list-style-type: none">• High political oversight and scrutiny• Changing leadership within DHET• Student protests and policy pressure• Systemic Corruption• Geopolitical risks and regional instability	NSFAS must operate transparently, align with the national agenda (NDP 2030), and demonstrate ethical leadership to regain credibility.
Economic	<ul style="list-style-type: none">• Slow economic growth• High youth unemployment• Unsustainable student debt burden• Skills mismatch and low labor absorption• Rising fuel costs• Rising inflation	Reinforces the need for a sustainable funding model and efficient use of public funds. NSFAS must show ROI through improved graduation and employment outcomes.
Social	<ul style="list-style-type: none">• Increasing demand for access to higher education• High inequality and cost-of-living crisis• Legacy of exclusion and distrust in institutions• Violence and crime	NSFAS must be student-centred, equitable, and responsive to the lived realities of beneficiaries, particularly marginalised and first-generation students.

Dimension	Key Factors	Implication of Turnaround
Technological	<ul style="list-style-type: none">• Cyber security• Digital divide and disruption of services• Data management• Digital transformation• Legacy ICT systems and fragmented platforms• Rise in blockchain solutions• Growing demand for real-time data	Urgent need for complete ICT overhaul and integration with national data systems. Blockchain and decentralised dashboards are strategic priorities.
Environmental	<ul style="list-style-type: none">• Climate change impacts (e.g., floods disrupting student access)• Loadshedding• Need for green skills funding in sustainability sectors	NSFAS can contribute to national goals by supporting green-skills development and ensuring climate-resilient infrastructure partnerships with institutions.
Legal	<ul style="list-style-type: none">• POPIA and data compliance requirements• AGSA audits and legislative amendments to NSFAS Act• Student legal appeals and governance failures	Strengthening legal compliance, internal audit functions, and risk management is essential to restore accountability and manage institutional risk exposure.

The above Pestel Analysis has informed the medium-term development goals of NSFAS. Moreover, NSFAS’s strategic repositioning is not only a response to internal challenges, but a proactive alignment with South Africa’s developmental agenda. This includes:

- **Sustainable Development Goals (SDGs):** Particularly SDG 4, which advocates for inclusive and equitable quality education and promotes lifelong learning opportunities for all. NSFAS contributes directly by removing financial barriers and enabling tertiary education access.
- **Agenda 2063 – The Africa We Want:** NSFAS supports this continental framework through education and skills development, enabling youth empowerment, and fostering inclusive economic participation.
- **National Development Plan (NDP) 2030:** As a flagship mechanism to support post-school education and training, NSFAS is central to achieving the NDP’s objectives on reducing inequality, unemployment, and poverty.
- **4IR and Technological Advancement:** NSFAS must integrate AI, machine learning, and digital platforms not only to enhance service delivery but to anticipate the skills needs of a changing economy. This includes investments in future-fit infrastructure, digital upskilling for staff, and responsible data practices aligned with international standards.
- **Entrepreneurial Thinking in Higher Education:** NSFAS recognises that job creation must be driven by entrepreneurial graduates who not only seek employment but also create opportunities. Through funding models that support innovation, work-integrated learning, and start-up support in partnership with institutions, NSFAS will actively contribute to building a culture of self-reliance, creativity, and enterprise in the post-school education sector.

Opportunities and Threats Emerging from the PESTEL Analysis

The strategic context reveals several external opportunities and threats that NSFAS must respond to as part of its turnaround and repositioning:

Opportunities:

- The GNU’s emphasis on education and social investment aligns with NSFAS’s mission, offering political backing for transformation.
- The prioritisation of youth development in Agenda 2063 and SDG 4 enhances the global legitimacy and funding opportunities for NSFAS.
- Growing student demand provides an opportunity to scale impactful interventions if operational capabilities are improved.
- Technological advancements in AI, data analytics, and blockchain can be leveraged to modernise operations, improve transparency, and enhance service delivery.
- Climate-conscious programming and sustainability initiatives allow NSFAS to align with environmental goals, supporting green skills and student well-being.
- Entrepreneurial development strategies allow NSFAS to link funding to employability and national economic priorities.

Threats:

- Persistent economic stagnation and budget cuts threaten NSFAS’s long-term financial sustainability.
- Rising youth unemployment and social inequality heighten pressure on NSFAS to deliver more with limited resources.
- Cybersecurity vulnerabilities pose a major risk to data integrity and public trust.
- Legal non-compliance and poor governance expose NSFAS to reputational damage and institutional instability.
- Misalignment between system demands and institutional capacity risks widening delivery gaps.
- Failure to adapt to technological trends could further erode service efficiency and student satisfaction

These opportunities and threats must shape both short-term decisions and long-term planning, ensuring NSFAS remains relevant, resilient, and responsive.

Figure 3: Strategic Opportunities And Threats



Porter’s Five Forces Analysis

Porter’s Five Forces framework was applied to assess NSFAS’s broader strategic environment. This helps evaluate competitive pressures and external dynamics that influence the organisation’s ability to achieve its mission and reposition as a public investment vehicle. The analysis below reinforces the urgency for NSFAS to differentiate itself through improved governance, digital capability, stakeholder collaboration, and clear value delivery.

Table 4: Porter’s Five Forces Analysis

Force	Analysis
1. Competitive Rivalry	While NSFAS holds a monopoly as a government-mandated funder, it faces increasing scrutiny from the public, student bodies, and media. Alternative models of funding (e.g., private bursaries, university-based support) raise expectations of efficiency and responsiveness.
2. Threat of New Entrants	Entry into the national student funding space is difficult due to regulatory and financial barriers. However, pressure is increasing for public-private partnerships and decentralised funding solutions, which could bypass or supplement NSFAS’s current model.
3. Bargaining Power of Suppliers	Suppliers include IT vendors, accommodation providers, and financial intermediaries. NSFAS’s limited oversight, particularly in housing and payment systems, has historically allowed suppliers significant influence, increasing operational risk. Stronger procurement controls are needed.
4. Bargaining Power of Buyers (Students and Institutions)	Students and institutions have growing expectations for timely payments, digital efficiency, and accountability. The risk of student protests and reputational damage gives buyers considerable leverage in shaping public discourse and institutional reform.-
5. Threat of Substitutes	Alternatives such as university scholarships, crowdfunding platforms, and commercial student loans represent indirect competition. If NSFAS fails to improve service delivery, students may turn to these options where accessible.

8.2 Internal environment

NSFAS is emerging from a period marked by operational turmoil, reputational damage, and leadership instability. The mismanagement of direct payment systems, delays in student disbursements, and failure to comply with governance and audit requirements have severely undermined stakeholder confidence. The organisation’s administrative complexity—serving over 900,000 students annually with a disbursement of R50 billion has outpaced its internal systems, capacity, and controls.

The 2024 decision by the Minister of Higher Education and Training to dissolve the Board and place NSFAS under administration signalled a critical turning point. The Administrator’s immediate mandate focused on crisis containment, stabilisation, and urgent reform. This included implementing recommendations from the Werksmans and Organization Undoing Tax Abuse (OUTA) reports, resolving long-standing audit findings, and reviewing governance systems, data architecture, and leadership capability.

Despite its challenges, NSFAS holds strategic assets that position it for recovery. Its long-standing brand recognition, central role in South Africa’s post-school education and training (PSET) system, and alignment with the national development agenda provide a strong institutional foundation. The reappointment of a new Board in 2025 offers a moment of renewal a chance to realign operations with mission, rebuild trust, and move from administrative dysfunction to strategic delivery.

The internal environment is, therefore, characterised by both fragility and opportunity. With focused leadership, ethical governance, and strengthened internal systems, NSFAS can leverage its mandate to respond

to rising student demand, improve access to funding, and support the broader developmental goals of the country.

Recognising these critical issues, the Minister of Higher Education and Training, Science and Innovation dissolved the NSFAS Board on 12 April 2024 and placed NSFAS under administration as per sections 17A to 17D of the NSFAS Act 56 of 1999, as amended for a period of two (2) years from the date of publication of the Gazette. This decision was formalized in Government Gazette No. 50482 of 12 April 2024, which outlined comprehensive Terms of Reference for the Administrator, including:

- Finalising funding guidelines for loans targeting the “missing middle.”
- Addressing data integration challenges, reconciling funding data, and ensuring all eligible students are accurately funded and recorded.
- Preparing for the 2025 online application process, including stakeholder engagement, partnerships, and a robust communication plan.
- Developing a practical and realistic plan for the 2025 funding cycle in consultation with stakeholders.
- Strengthening governance structures, systems, and policies to ensure sound operational management.
- Conducting forensic and other investigations to enhance operational effectiveness.

Upon assuming duties, the Administrator faced the urgent task of stabilising the Post-School Education and Training (PSET) system. Delayed disbursement of student allowances and accommodation payments had prompted widespread student protests, with some landlords threatening to evict students due to non-payment. These events disrupted the academic calendar and drew unfavourable media attention, further eroding confidence in NSFAS. In parallel, the Administration prioritized implementing recommendations from the Werksmans Report and addressing allegations raised by OUTA, which necessitated swift and decisive action. Beyond these immediate crises, the Administration comprehensively evaluated NSFAS’s fitness to fulfil its legislative mandate.

The organisation’s rapid growth has introduced new complexities in managing student funding. Since its inception as TEFSA in 1991, NSFAS has grown from disbursing R33 million to R50 billion in 2023, with beneficiaries increasing from 7,240 in 1997 to approximately 900,000 in 2023. The inclusion of the TVET sector in 2010, following its migration to national competency, marked a pivotal shift in the evolution of the PSET system. Despite these expansions, resource allocation disparities remain a critical concern, with data indicating uneven distribution between the TVET and higher education sectors. For example, while only 29.3% of TVET enrolees were funded in 2010, this figure increased to 53.1% by 2013. Meanwhile, funding allocations for higher education dropped from 70.5% of enrolees in 2010 to 46.8% in 2013. These statistics underscore the pressing need for operational efficiencies and a re-evaluation of resource distribution to ensure NSFAS’s sustainability and effectiveness.

The Minister of Higher Education provided further direction on leadership continuity within NSFAS. On 1 August 2024, Government Gazette No. 50842 amended the period of the Administrator’s appointment, specifying that the term would end on 31 December 2024 or upon the appointment of a new Board in terms of section 5 of the NSFAS Act, whichever occurs first. Subsequently, on 17 December 2024, the Minister published Government Gazette No. 5684, extending the Administrator’s term to 31 March 2025 or until a new Board is appointed, whichever occurs first.

The Minister of Higher Education and Training has appointed the NSFAS Board, which has already assumed responsibility for the organisation’s management, governance, and administration as outlined in section 3(2) of the NSFAS Act 56 of 1999. This transition is expected to restore stability and reinforce NSFAS’s commitment to fulfilling its critical role within the PSET system.

Strengths:

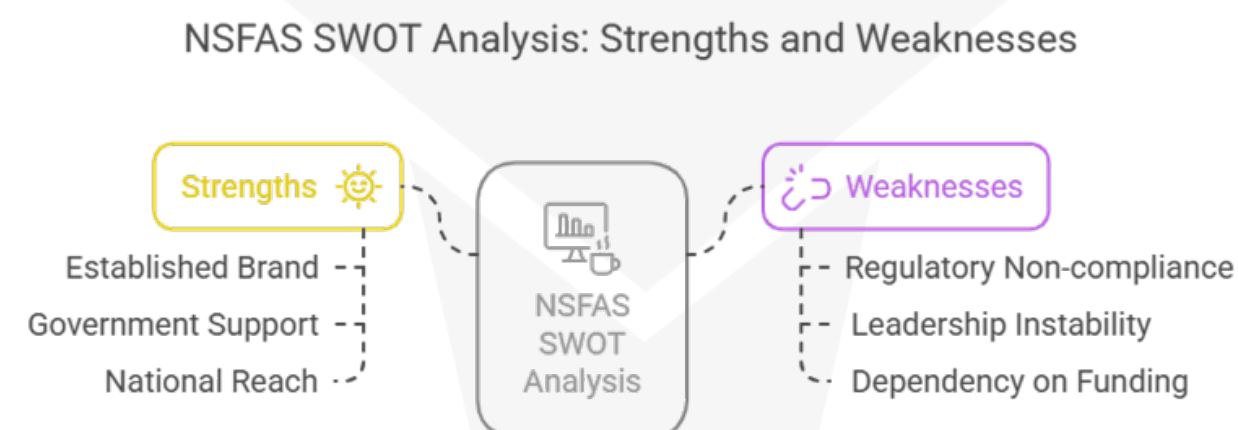
- Known and established brand: NSFAS has national recognition and credibility as a government-backed entity.
- Longstanding heritage in student financial aid, with public trust built over decades.
- Centrality in national development strategy: Directly contributes to human capital growth and youth empowerment.

- Government support ensures baseline financial sustainability and policy relevance.
- Institutional learning from legacy systems and past reforms.
- National reach with embedded relationships across the PSET sector.
- Ability to influence national policy and support transformation goals.

Weaknesses:

- Non-adherence to regulatory compliance has exposed NSFAS to legal risks and audit queries.
- Inadequate policies, processes, and frameworks hinder consistent, reliable service delivery.
- Inconsistent communication, internally and externally, creates misunderstandings and public confusion.
- Leadership instability disrupts strategic continuity and weakens governance.
- Overbearing union influence may delay or disrupt reform efforts.
- Dependency on government funding makes NSFAS vulnerable to fiscal constraints.
- Limited internal capability to rapidly adopt and manage advanced technologies.
- Dilution of focus from the organisation’s CORE mandate: The current operations of NSFAS includes non-core activities resulting in the focus of the organisation being diluted. This results in ineffectiveness and inefficiencies thereby negatively impacting activities targeted towards the organisations core mandate.

Figure 4: Strengths and Weaknesses



Despite these challenges, NSFAS possesses inherent institutional strengths. Its longstanding public mandate, broad national footprint, and central role in national development strategy make it a critical actor in the post-school education and training ecosystem. With renewed leadership and strategic repositioning underway, the internal environment presents both a challenge and an opportunity—demanding bold action, strong ethical governance, and sustained cultural and operational transformation.

Part C:

Measuring Our Performance



9. Institutional performance information

Table 5: Intended Outcomes

Intended outcomes	Achievements (how does success look like?)
<ul style="list-style-type: none"> A student-centric organisation that enjoys the trust of stakeholders in the PSET sector and is focussed on the development of South Africa's skills development strategy. An institution that is led by accountable individuals, teams and is governed ethically. An organisation that has modern day Information, Communication and Technology, is people-centred, has standard operating processes, and relevant tools of trade/systems 	<ul style="list-style-type: none"> A reformed business operating model, including: <ul style="list-style-type: none"> Revised service delivery model (i.e., regional footprint). A percentage of the new organisational structure successfully implemented to support a modern organisational culture including staff engagement. Improved governance structures. Percentage implementation of supply chain processes completed within the agreed timeframe, ensuring compliance with regulations. Improved competency framework Improved internal controls and risk maturity to achieve clean audit opinion. Streamlined back office/organisational processes. Improved organisational performance through the successful implementation of digital solutions (Digitalisation of the organisation).
<ul style="list-style-type: none"> A student-centric organisation that enjoys the trust of stakeholders in the PSET sector and is focussed on the development of South Africa's skills development strategy. 	<ul style="list-style-type: none"> Percentage of NSFAS funded students graduating from universities and TVET colleges. Percentage of NSFAS funded students completing enrolled modules. Timeous decisions on applications and appeals outcomes. Timeous confirmation of funding decisions. Timeous payment of tuition and allowances to funded students and/or accommodation providers. Reduction in financial losses due to overpayments, resulting in cost savings for NSFAS.
An institution that is financially sustainable, adheres to sustainability best practice and has long term financial accountability and viability.	<ul style="list-style-type: none"> Increase in funds available for distribution to students. Increase in the number of students receiving funding (bursary and loans). Recover funds from debtors and institutions on monies owed.
<ul style="list-style-type: none"> A student-centric organisation that enjoys the trust of stakeholders in the PSET sector and is focused on the development of South Africa's skills development strategy. 	<ul style="list-style-type: none"> Foster greater trust, collaboration, and alignment between the organisation and its key partners. Informed and engaged stakeholders. Percentage of stakeholders satisfied with NSFAS services (stakeholder perception). Retention rate of funders/Partnership continuity rate. Collaborative partnerships with stakeholders.

9.1 Impact Statement

Impact statement	A skilled and capable workforce to support an inclusive growth path
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9.2 Measuring our outcomes

Table 6: Measuring Our Outcomes

Medium Term Development Priorities [MTDP]: <ul style="list-style-type: none"> Priority (1) - Drive inclusive growth and job creation Priority (2) - Reduce poverty and tackle high cost of living Priority (3) - A capable, ethical and development state 			
Outcomes	Outcome indicators	Baseline	Five-year target
<ul style="list-style-type: none"> An organisation with the right skills, culture and personnel to deliver on the strategy and man date. An organisation that has modern day Information, Communication and Technology, is people-centred, has standard operating processes, and relevant tools of trade/systems. 	KPI 1.1 Percentage implementation of the approved organisational structure	Outdated, not future-fit and not fully implemented organisational structure	85% of the structure, job descriptions, role profiles and competency framework approved and implemented.
	KPI 1.2 Cybersecurity posture maturity level.	Level 3 cybersecurity posture maturity.	Level 5 cybersecurity posture maturity.
	KPI 1.3 Digitisation maturity level	Level 4 digital strategy implementation.	Level 5 digital strategy implementation.
<ul style="list-style-type: none"> A student-centric organisation that enjoys the trust of stakeholders in the PSET sector and is focused on the development of South Africa's skills development strategy. 	KPI 1.4 Percentage of stakeholders satisfied with services provided by NSFAS.	New Indicator.	90%
<ul style="list-style-type: none"> An institution that is financially sustainable, adheres to sustainability best practices and has long term financial accountability and viability. 	KPI 1.5 Annual amount of funds raised from loan recoveries, public partners, private partners, donors and any other sources other than from DHET.	R145 million.	R370 million.
<ul style="list-style-type: none"> A student-centric organisation that enjoys the trust of stakeholders in the PSET sector and is focused on the development of South Africa's skills development strategy. 	KPI 1.6 Number of eligible students receiving NSFAS funding.	839 384 students	1 million students.
<ul style="list-style-type: none"> A student-centric organisation that enjoys the trust of stakeholders in the PSET sector and is focused on the development of South Africa's skills development strategy. 	KPI 1.7 Percentage payments to funded students made in accordance with the disbursement calendar.	New Indicator.	99%.

9.3 Explanation of planned performance over the five-year planning period

Government priorities

NSFAS was placed under Administration on 12 April 2024, changing the context for the organisation in terms of leadership and governance. The intention was primarily to address leadership instability, weak governance matters, procurement irregularities, and inefficiencies in the disbursement of student funds which led to widespread student protests. The Terms of Reference (TOR) for the Administrator outlined in the Government Gazette (April 2024), focus on stabilising the entity’s governance, addressing procurement irregularities, restoring operational efficiencies and public trust through stakeholder engagement, overseeing the opening of the 2025 student online application, and supporting the transition to a new Board.

The development of the Strategic Plan considered the three national priorities articulated by President Cyril Ramaphosa in his address to the nation during the Opening of Parliament for the 7th Administration. The priorities are the following:

- 1. Drive inclusive growth and job creation
- 2. Reduce poverty and tackle the high cost of living; and
- 3. Build a capable, ethical, and developmental state.

Strategic imperatives were also drawn from the Minister of Higher Education and Training’s Budget Vote Commitments delivered to Parliament on 16 July 2024 and Sector Priorities expressed in the Post-School Education and Training Plan. The Administrator led several public interfaces which stirred up critical and progressive voices from stakeholders including funders, student movements, and accommodation providers.

In drafting this plan, the entity received insights from oversight Departments which included the Department of Monitoring and Evaluation, and DHET on PSET outcomes. NSFAS is a significant contributor to the goals outlined in the MTDP and the PSET Plan, and its work cuts across these outcomes facilitated through different products and service offerings, namely the bursary, loans scheme, and active collaboration with universities and other funders.

Table 7: Outcomes in the PSET Plan

Outcomes in the PSET Plan
Increased access to PSET opportunities
Improved quality of PSET provisioning
Improved success and efficiency of the PSET system
Improved responsiveness of the PSET system

The NDP - 2030 provides the policy framework within which NSFAS has developed its strategic plan. It details the challenges that the country is facing as well as the strategic choices that must be made to create a better life for all South Africans.

The NDP provides extensive detail on the nine challenges facing South Africa, amongst these and of particular importance to NSFAS is the challenge that “The quality of school education for black people is poor”. As a response to these challenges, the NDP aims to eliminate poverty and reduce inequality by 2030 by:

- Raising employment through faster economic growth.
- Improving the quality of education, skills development, and innovation; and
- Building the capability of the state to play a developmental, transformative role.

On improving education, skills development, and innovation, the NDP further provides a broad framework for student financial aid in South Africa:

Strategic Plan 2025/2026

10. Key risks and mitigations

Table 8: Risks and mitigations

Outcomes	Key risks	Risk mitigations
A student-centric organisation that enjoys the trust of stakeholders in the PSET sector and is focused on the development of South Africa’s skills development strategy.	<ul style="list-style-type: none"> • Student dissatisfaction and reputational damage as a result of outdated and lack of systems • Inefficiencies and high operating costs • Inaccurate means testing leading to funding misallocations • Inefficiencies in application and approval processes • Delayed Payments to students and institutions • Fraudulent activities and misallocation of funds • Inaccurate banking details provided by students, which will delay and impact the accuracy of disbursements • Lack of trust and transparency with institutions and students • Poor or lack of timely communication to stakeholders • Limited collaboration with key partners 	<ul style="list-style-type: none"> • Enhance verification processes using third-party data integration • Implement budget management controls • Automate and optimise the application process. • Implement proper end-to end processes supported by modern technology to ensure the efficient & effective disbursement process • Strengthen fraud detection and forensic audits • Implement quality assurance measures to validate and verify banking details before disbursements. • Implement a stakeholders engagement framework with regular consultations • Improve communication channels (website, contact centre, social media) • Establish joint working committees with key partners
An organisation that has modern day Information, Communication and Technology, is people-centred, has standard operating processes, and relevant tools of trade/systems	<ul style="list-style-type: none"> • Cybersecurity threats and data breaches • Outdated or inadequate IT infrastructure • Resistance to digital transformation • System downtime affecting service delivery. 	<ul style="list-style-type: none"> • Implement robust cybersecurity measures (firewalls, encryption, regular security audits) • Upgrade IT systems and continue investing in cloud-based solutions. • Provide change management training for employees • Implement disaster recovery and business continuity plans
An organisation with the right skills, culture and personnel to deliver on the strategy and mandate	<ul style="list-style-type: none"> • Lack of necessary skills to execute its strategy effectively • Employees may not embrace the desired values, leading to resistance to change and ultimately low staff engagement. • High staff turnover, which could lead to disruptions of operations and loss of knowledge. • Key-man dependencies • Potential instability caused by poor leadership and lack of succession planning. 	<ul style="list-style-type: none"> • Develop a robust talent acquisition and retention strategy, invest in continuous training and upskilling programs, and consider partnering with institutions for internship programmes. • Embed a culture in leadership development, reinforce values through performance management, and conduct regular culture and engagement surveys. • Implement competitive compensation and benefits framework.

Outcomes	Key risks	Risk mitigations
	<ul style="list-style-type: none"> Low staff engagement and lack of accountability may impact the success of the execution of the strategy negatively. 	<ul style="list-style-type: none"> Create clear career progression paths and foster positive environment with strong leadership support. Implement leadership training programs, identify key leadership pipelines, and establish a structured succession planning process. Establish clear succession planning metrics, introduce incentives for high performance, and implement coaching and mentoring programs.
Improved access to higher education for eligible students from low-income and working-class families	<ul style="list-style-type: none"> Stifled individual potential Economic consequences – high employment rate Increased inequality Social instability 	<ul style="list-style-type: none"> Streamline business processes and increase funding to improve student access to higher education institutions
An institution that is financially sustainable, adheres to sustainability best practice and has long term financial accountability and viability.	<ul style="list-style-type: none"> Insufficient revenue or funding gaps affect sustainability. Poor financial controls can lead to financial loss Failure to adhere to regulations may result in penalties and reputational damage. Internal fraud or weak financial governance can impact sustainability. External economic downturns could impact financial sustainability. Poor cashflow management may lead to regulatory issues and reputational harm. 	<ul style="list-style-type: none"> Continue engagements with National Treasury and DHET for sustainable funding Expand revenue streams to build financial reserves and fund key projects. Implement austerity measures. Regularly review financial performance and conduct cost –benefit analysis for key projects. Strengthen internal financial controls, conduct regular compliance audits, and provide ongoing financial training and compliance training to employees. Continue engagements with National Treasury and DHET for sustainable funding Expand revenue streams to build financial reserves and fund key projects. Implement austerity measures. Regularly review financial performance and conduct cost –benefit analysis for key projects. Strengthen internal financial controls, conduct regular compliance audits, and provide ongoing financial training and compliance training to employees.

Outcomes	Key risks	Risk mitigations
		<ul style="list-style-type: none"> Continue engagements with National Treasury and DHET for sustainable funding Expand revenue streams to build financial reserves and fund key projects. Implement austerity measures. Regularly review financial performance and conduct cost –benefit analysis for key projects. Strengthen internal financial controls, conduct regular compliance audits, and provide ongoing financial training and compliance training to employees. Implement robust fraud prevention mechanisms, conduct forensic audits, and establish whistleblowing mechanisms. Optimise working capital management, negotiate favourable payment terms, and maintain emergency cash reserves. Integrate ESG (Environment, Social, and Governance) principles, conduct sustainability impact assessments, and align financial decisions with long-term sustainability goals.
An institution that is led by accountable individuals and teams, and is governed ethically.	<ul style="list-style-type: none"> Weak internal controls leading to mismanagement Lack of accountability and ethical leadership Non-compliance with applicable laws and regulations Leadership instability 	<ul style="list-style-type: none"> Implement robust governance structures aligned with the PFMA, KING IV principles, and National Treasury guidelines. Ensure stability by appointing qualified, experienced, and ethical individuals to key positions. Define roles and responsibilities, and authority levels through delegations of authority framework. Strengthen compliance monitoring and internal audits Conduct regular governance training for leadership and employees

Part D:

Technical Indicator Description



11. Technical Indicator Description

KPI 1.1 Percentage implementation of the approved organisational structure.

Indicator title	Percentage implementation of the approved organisational structure.
Definition	<p>Approved: The latest organisational structure and competency frame-work(s) approved and implemented as at the reporting date.</p> <p>Organisational structure: The document outlining departments, business units, role titles, reporting lines and number of positions per role. The or-ganisation structure includes the latest and approved competency frame-work(s)</p> <p>Percentage implementation: The percentage of all funded roles that:</p> <ul style="list-style-type: none">• have approved and finalised job descriptions and• have approved and finalised role profiles <p>Roles; the tasks, duties and responsibilities assigned to a unique job within a business unit or department, e.g. contact center agent</p> <p>Positions: the capacity requirement per role, e.g. some roles only have 1 position whereas other roles might have many positions</p>
Source of data	<p>1.Board approved organogram, including minutes of board meeting where approval was finalised.</p> <p>2. Schedule of all roles per the approved latest organogram, drawn at the reporting date, and the report details at a minimum:</p> <ul style="list-style-type: none">a. Department/unitb. Role namec. Whether the role is funded or notd. Whether the role has an approved and finalised job description or note. Whether the has an approved and finalised role profile or notf. Whether the position was filled or not
Method of calculation or assessment	<p><u>Numerator:</u> A count of all positions per the approved latest organogram, drawn at the reporting date, that were filled, funded, and had a finalised job description and role profile.</p> <p><u>Denominator:</u> A count of all funded positions per the approved latest organogram, drawn at the reporting date.</p> <p>The fraction to be represented as a percentage.</p>
Assumptions	That a revised organogram will be approved by 31 March 2026
Disaggregation of bene-ficiaries (where applica-ble)	N/A
Spatial transformation (where applicable)	N/A
Desired performance	Achievement of the stipulated target or higher.
Indicator responsibility	Human Resources Executive

KPI 1.2 Cybersecurity posture maturity level

Indicator title	Cybersecurity posture maturity level
Definition	<p>The National Institute of Standards and Technology (NIST) Cyber Security Framework is a set of standards, guidelines, best practices, methodologies, procedures, and processes to cost- effectively reduce cyber risks on the whole Open Systems Interconnection (OSI) Layers or critical infrastructure.</p> <p>In terms of NSFAS, critical infrastructure refers to all components that form part of Information Communication Technology Systems, Digital Products and Services.</p> <p>The NIST maturity level refers to an organization’s progression in imple-menting cybersecurity practices based on the NIST Cybersecurity Frame-work (CSF) or other NIST standards. It represents how well an organization can identify, protect, detect, respond to, and recover from cybersecurity threats.</p> <p>Although NIST does not define specific maturity levels, NSFAS has used specific NIST CSF implementations for maturity levels inspired by NIST’s guidelines to evaluate and improve cybersecurity practices.</p> <p>The NIST levels are as follows:</p> <p>Level 1 – Initial (Unpredictable, Inconsistent, High Risk). At the initial level, processes are disorganized, ad hoc, and even chaotic. Success likely de-pends on individual efforts and is not considered to be repeatable. This is because processes are not sufficiently defined and documented to enable them to be replicated.</p> <p>Level 2 – Repeatable (Reactive, Volatile, Manual). At the repeatable level, requisite processes are established, defined, and documented. As a result, basic project management techniques are established, and successes in key process areas can be repeated.</p> <p>Level 3 – Defined (Documented, Standardized, Reviewed). At the defined level, an organization develops its own standard software development pro-cess. These defined processes enable greater attention to documentation, standardization, and integration.</p> <p>Level 4 – Managed (Proactive, Track Metrics, Some Automation). At the managed level, an organization monitors and controls its own processes through data collection and analysis.</p> <p>Level 5 – Optimising (Automated, Integrated, Predictable) At the optimizing level, processes are constantly improved</p>
Source of data	External Cyber Security Maturity Assessment Report.
Method of calculation or assessment	<p>NIST maturity level assessment results will be used as a basis for determin-ing the maturity level.</p> <ul style="list-style-type: none">• On the reporting date, a NIST maturity level assessment will be per-formed by an external service provider, based on the Cyber Security Framework. The assessment will cover ten key performance areas.• Once the assessment is completed (using a survey), a final report is pro-duced. The final report is reviewed and approved by ICT Executive.• In the report, the maturity level (in line with NIST levels) per key perfor-mance areas is detailed and a final overall maturity level is included.• The final overall maturity score, for the period, will be used to report on this indicator
Assumptions	The lower maturity levels have been achieved, maintained and that other business units will contribute their part in security landscape.

Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Desired performance	The desired performance is equal to the planned target.
Indicator responsibility	Chief Information Officer

KPI 1.3 Digitisation maturity level

Indicator title	Digitisation maturity level
Definition	<p>The digitisation maturity level is determined by the stage of implementation of the ICT digital transformation strategy.</p> <p>The ICT digital transformation strategy is a comprehensive plan that outlines how NSFAS will leverage digital technologies to change its operations, processes, activities, and business models.</p> <p>The strategy is supported by a roadmap designed to shift the organisation purposefully toward a positive future state that serves primarily the digital needs of students and stakeholders.</p> <p>Metrix will be used: Level 1 (Poor) = 0% -25 % means project/s is in the conceptual mode Level 2 (Novice) = 26% - 49% means project/s is in the initiation mode Level 3 (Average) = 50% - 75% means project/s is in the execution mode Level 4 (Good) = 76% -90% means project is near completion or completed and signed off. Level 5 (Excellent) = 91% -100% means post implementation adoption and utilization of these digital platform (Value Realization State)</p> <p>The Product and ICT Project Portfolio Office (PPPO) is a product development and ICT project management capability within NSFAS.</p>
Source of data	<p>List of projects specified with the ICT digital transformation strategy, comprehensive plan and roadmap</p> <p>Project Implementation reports from the Product and ICT Project Portfolio Office.</p>
Method of calculation or assessment	<ul style="list-style-type: none"> By the reporting date, the Digital Transformation Assessment Matrix for projects will be completed for the reporting period. The Assessment Matrix lists all pre-determined projects linked to the ICT strategy. Each project is assigned a weighting depending on how critical the project is to NSFAS achieving its objectives. Each project is assigned percentage value based on the completion status. All projects then are aggregated into a final composite score expressed in percentage value which is indicative of the level of achievement.
Assumptions	Change in the execution of the strategic is most likely to influence the type of projects associated with the matrix from time to time.

Disaggregation of beneficiaries (where applicable)	Not Applicable.
Spatial transformation (where applicable)	Not Applicable.
Desired performance	The desired performance is equal to the planned target.
Indicator responsibility	Chief Information Officer

KPI 1.4 Percentage of stakeholders satisfied with services provided by NSFAS

Indicator title	Percentage of stakeholders satisfied with services provided by NSFAS
Definition	The purpose of this indicator is to gauge NSFAS stakeholder satisfaction with the services provided by NSFAS.
Source of data	Stakeholder satisfaction survey
Method of calculation or assessment	<p>The calculation is based on determining the sample proportion of respondents that agree or strongly disagree with question statements. If there are N respondents and X of them responded with agree or strongly agree, then the proportion is X/N (X divided by N). The respondents' answers to various questions will be aggregated into either one of the two positions as final answer, strongly disagree, disagree and neutral will be collectively viewed as a negative answer (Position 1), strongly agree and agree will be collectively viewed as a positive answer (Position 2), all respondents with position 2 will be counted in determining X.</p> <p>The % calculation will be equals to the number of respondents who agree or strongly agree divided by total number of valid responses and multiplied by 100.</p>
Assumptions	Not enough responses from each stratum. If not large enough, some strata will be combined.
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
Desired performance	An actual achievement higher than target.
Indicator responsibility	Office of the CEO

KPI 1.5 Annual amount of funds raised from loan recoveries, public partners, private partners, donors and any other sources other than from DHET.

Indicator title	Annual amount of funds raised from loan recoveries, public partners, private partners, donors and any other sources other than from DHET.
Definition	<p>The indicator measures the amount of funds raised from loan recoveries and other funders (public funds, private partners, donors and any other funders) to fulfil the NSFAS legislative mandate to recover loans and raise funds. These are monies received from all sources other than funds allocated by DHET.</p> <p>Funds raised from loan recoveries: The total amounts of cash receipts allocated to loan book debtors in the current financial year, to reduce or settle outstanding student loan book balances</p>

Definition	<ul style="list-style-type: none"> All cash receipts received within the reporting period, that can be linked to loan holder accounts or their ID numbers, by the end of the reporting period are counted All cash receipts received in previous periods, that could not be previously linked to any loan holder accounts or their ID numbers, but can now be linked by the end of the financial year If it is identified that a debtor overpaid their account, and is due a refund, then the amount received in the reporting period that is to be refunded should not be included in the total for this KPI <p>Funds raised from public partners, private partners, donors and any other source other than from DHET (Other Funders):</p> <p>This includes the total amount of cash receipts from:</p> <ul style="list-style-type: none"> other state institutions who provide funds to NSFAS to administer on the institution's behalf or to settle outstanding student debt or for other purposes Private companies, juristic persons or individuals who donate money to NSFAS to fund future students, to settle outstanding student debt or for other purposes Or any other sources other than DHET (who annually provides government grants for student funding and the amount of the grant is not directly influenced by NSFAS)
Source of data	<p>Funds raised from loan recoveries:</p> <ol style="list-style-type: none"> Current year bank statements wherein EFT deposits, debit order payments, link Employer Deductions and Other Employer Deductions, relating to student loan repayments, are reflected. Schedule of unallocated loan account holder repayments from prior years. This will be used to identify any unallocated repayments from prior years that were allocated in the current financial year. <p>Other Funders:</p> <ol style="list-style-type: none"> Current year bank statements wherein other entities, individuals, funders or institutions have deposited funds into a NSFAS bank account for the purpose of settling student loan account debt, or funding future students or other purposes. Register/schedule of cash received from other funders that was not yet available for NSFAS to utilise due to certain conditions or requirement that had to be met or events that were required to take place. This will be used to identify any cash receipts that could not be counted in a previous reporting period due to outstanding conditions/requirements but where the conditions were met in the current reporting period.
Method of calculation or assessment	<p>Simple count in monetary value terms.</p> <p>Total cash receipts, from the current year bank statements, that are linked to ID number(s) of student loan account holder(s).</p> <p>PLUS</p> <p>Total of unallocated loan repayments from prior years that were allocated to loan accounts in the current financial year.</p>

Method of calculation or assessment	<p>PLUS</p> <p>Total cash receipts, from current year bank statements from other funders, where NSFAS can utilise those funds for settling student debt, funding future students or other purposes.</p> <p>PLUS</p> <p>Total cash receipts, from previous reporting periods, from other funders, where NSFAS was previously not able to utilise the funds due to unfulfilled conditions or requirements or due to awaiting instructions from the donor, and now in the current year the conditions or requirements were met, or the funder provided the outstanding instructions.</p> <p>Where funds are received from other funders, but the funder has not specified what the funds are to be used for, the funds received cannot be counted in the reporting period received and instead must only be counted in the period in which the funder specifies what the funds are to be used for.</p> <p>Similarly, if the funder makes a payment to NSFAS but requires that NSFAS meet a condition or requirement before the funds can be deployed, then the funds received cannot be counted in the reporting period received and instead must only be counted in the period in which the conditions or requirements are met.</p> <p>In the case of donations, the funds received can be counted in the period received if the receipt can be confirmed to be a donation through some means.</p> <p>Funds may not be double counted. For example, if a funder provided cash for NSFAS to settle outstanding loan debt, those funds may only be counted once, and not both as a loan recovery and as funds raised by other funders.</p> <p>Funds may only be counted in one reporting period and not in multiple periods.</p>
Assumptions	That when a payment is received and the payment reference is the ID number of a student loan account holder, that the payment is for settlement towards their loan account and not a donation to NSFAS for future students.
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Desired performance	Achievement of the planned targets or higher
Indicator responsibility	Strategic Enablement Executive and Finance Executive

KPI 1.6 Number of eligible students receiving NSFAS funding

Indicator title	Number of eligible students receiving NSFAS funding.
Definition	<p>This indicator measures, as of 31 March of the reporting period, the number of funded students for whom disbursements have been made."</p> <p>Eligible students: are those students as of 31 March, who meet the NSFAS eligibility criteria and conditions for financial aid and therefore, have a status of 'FUNDED' with regards to the previous academic year's academic cycles.</p>

Source of data	<p>(e.g. Those students, who on 31 March 2030, have a funding status of "FUNDED" for at least one academic cycle in the 2029 academic year)</p> <p>Eligible students include all students regardless of the source of the funding (DHET, other funders, own surplus, etc.)</p> <p>Receiving NSFAS funding: Students who either directly received payments from NSFAS and/or had their costs of study paid for by NSFAS, for example payments made to their institution or accommodation provider for tuition or accommodation costs.</p>
Method of calculation or assessment	<p>The funded list(s) for the most recent completed academic year, extracted as of 31 March of the reporting year.</p> <p>All disbursement schedules relating to the most recent completed academic year, for which cash payments were made or where the disbursement is knocked off against an upfront payment.</p> <p>The disbursement schedules must at a minimum specify:</p> <ul style="list-style-type: none"> • The ID number of the student who is intended to benefit from the payment • The academic year the payment relates to • The academic cycle the payment relates to • The institution • The cost(s) the payment is for (e.g. tuition, allowances, accommodation) • Whether the ID number belongs to a male or female • The ethnicity of the student • Whether the student is disabled or not <p>1. Funded List:</p> <p>1.1. Combine all funded lists, for all academic cycles for the most recent completed academic year (i.e. trimester 1, 2, 3 funded lists plus semester 1 & 2 funded lists plus annual funded lists).</p> <p>1.2. Remove all records/rows of data, where the status is not the equivalent of "FUNDED" (e.g. if a student had a FUNDED status in trimester 1, but UNFUNDED in trimester 2, then only remove the trimester 2 record)</p> <p>2. Disbursement schedules:</p> <p>2.1. Combine all disbursement schedules for the most recent completed academic year</p> <p>2.2. Create a PIVOT table (or similar) that summarises the disbursements per ID number.</p> <p>3. Match Funded List to Summary of Disbursement schedules</p> <p>3.1. Where an ID number appears on both the refined funded list and the summary of the disbursement schedules, this means that an eligible, fully funded student, received NSFAS funding for the academic year.</p> <p>The amount of funding the student received must be above zero.</p> <p>4. Count the matched ID numbers and report the total.</p>
Assumptions	None
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> - Target for women is 55% (550 000) or higher - Target for youth is 90% (900 000) or higher - Target for people with disabilities is 5% (50 000) or higher

Assumptions	That a revised organogram will be approved by 31 March 2026
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> - Target for women is 55% (550 000) or higher - Target for youth is 90% (900 000) or higher - Target for people with disabilities is 5% (50 000) or higher
Spatial transformation (where applicable)	Not applicable
Desired performance	Achievement of planned targets or higher
Indicator responsibility	Core Business Executive

KPI 1.7 Percentage payments to funded students made in accordance with the disbursement calendar

Indicator title	Percentage payments to funded students made in accordance with the disbursement calendar
Definition	<p>This indicator measures the percentage of payments made to funded as per the schedule or disbursement calendar.</p> <p>Payments: Transfer of money out of a NSFAS bank account to either students, universities, TVET colleges, accommodation providers, or other recipients, where the payment is intended to cover students' costs of study (tuition, accommodation, allowances).</p> <p>Funded students:</p> <ul style="list-style-type: none"> • Students who's application for funding meets all eligibility requirements, and; • Students who successfully registered at an institution, and; • Student's whose registration data (RegData) was received by the cut-off date for the applicable academic cycle • Student's who's funding status remained as "fully funded" at the end of the academic cycle <p>Disbursement calendar: The approved calendar with dates of when payments will be made for each type of stakeholder for each type of academic cycle.</p> <p>Stakeholders include but are not limited to:</p> <ul style="list-style-type: none"> - Students who received allowances and/or accommodation funds directly - Institutions who receive tuition and residence fees and allowances on behalf of the student - Accommodation providers and accommodation solution providers who receive accommodation costs on behalf of students <p>Academic cycles include:</p> <ul style="list-style-type: none"> - Annual courses - Semester courses - Trimester Courses
Source of data	Detailed extract of all payments made by 31 March for the preceding academic year (including all academic cycles within that academic year). i.e. All payments made by 31 March 2030 for the 2029 academic year.

Source of data	<p>The detailed extract of payments must specify:</p> <ul style="list-style-type: none"> • The ID number of the student • The academic year the payment is for • The academic cycle the payment is for • The actual date of the payment • The date the payment was scheduled to be paid according to the approved disbursement calendar • The amount of the payment (and if applicable the breakdown of the payment amount between different costs (tuition, accommodation, allowances))
Method of calculation or assessment	<p>The denominator is the count of all the payments made per the detailed extract of payments (disbursement schedules).</p> <ul style="list-style-type: none"> • Where catch-up payments are made, and multiple scheduled disbursements are made together, the payments must be multiplied for counting purposes as if the payments had been made separately. • Where, by financial year-end, scheduled payments for the preceding academic year were not made, the total count of scheduled payments that were not made must be added to the denominator. <p><i>For example, if July 2029 allowances payments were made together with August 2029 allowance payments, then these payments must be counted twice. If November 2029 allowances were still not paid by 31 March 2030, these payments must be added to the numerator to reduce the final percentage.</i></p> <p>The numerator is the count of all the payments made per the detailed extract of payments (disbursement schedules), where the actual payment date was on or before the scheduled date.</p> <p>The final performance to be reported is the numerator divided by the denominator, represented as a percentage.</p> <p>The objective of this method of calculation is to first determine the total number of payments that should have been made during the academic cycle, according to the disbursement calendar (denominator). This number will be in the millions as each student is expected to be paid multiple times during the academic year (i.e. each university student may receive up to 10 allowance payments during the academic cycle).</p> <p>The next step is to determine the number of payments that actually did get paid on time as planned (numerator).</p> <p>And the numerator divided by the denominator provides a percentage of payments that were paid at the right time to the right students.</p>
Assumptions	<p>The disbursement/payment process can be updated so that an additional field be added, and that field indicates which date on the disbursement calendar the payment was supposed to be paid on, so that this indicator can be easily calculated.</p>
Disaggregation of beneficiaries (where applicable)	<p>Not applicable</p>

Spatial transformation (where applicable)	Not applicable
Desired performance	Equal to or higher than the target. The higher the percentage of payments that were paid in line with the calendar, the better.
Indicator responsibility	Core Business Executive and Chief Financial Officer



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