

**MEDIA STATEMENT
TO ALL EDITORS/EDUCATION REPORTS
DATE: 20 August 2026**

NSFAS BOARD STATEMENT ON PUBLIC PROTECTOR REPORT

The National Student Financial Aid Scheme (NSFAS) Board acknowledges the release of the Public Protector's report on NSFAS. The Board holds the Office of the Public Protector (PP) in the highest regard as a vital Chapter 9 institution entrusted with upholding constitutional democracy and welcomes the thoroughness and depth of the investigation. The Board is deeply appreciative of the diligent work undertaken by the Office of the PP and the commitment shown to ensuring accountability and good governance in the higher education funding system. The Board commits to engaging constructively with the report and to implement its recommendations in good faith and with the seriousness they deserve.

The Public Protector's investigation was initiated in 2021 and covers a period which predates the appointment of the current Board. It recognises that the PP undertook this work in the public interest, and we honour the oversight role it plays in strengthening our democratic institutions. We appreciate the diligence with which the investigation was conducted.

The Board wishes to clarify that the PP's reference to more than forty thousand (40 000) students being improperly funded is not a new finding affecting an additional cohort of students. Rather, it is an extract from the Special Investigating Unit's (SIU) 2022 investigation under Proclamation R88 of 2022, between 1 April 2016 and 26 August 2022, which identified that approximately R5.1 billion in NSFAS funds may have been allocated to students who did not qualify, with recoveries already exceeding R2 billion. These findings predate the current Board's tenure and have been a central focus of the Board's remedial work since its appointment. The NSFAS Board is grateful that the PP's report has brought continued visibility to these historical challenges and embrace the opportunity to account for them transparently.

Upon taking office in February 2025, the Board received the SIU report and engaged extensively with its findings. The SIU's input was incorporated into the development of the Board's turnaround strategy, which explicitly prioritised corrective action and consequence management. The Board has since embedded consequence management as a core pillar of its remedial approach, ensuring that accountability is not merely procedural but is felt across the organisation. The Board is committed to



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ensuring that those responsible for historical irregularities are held to account, and that systemic weaknesses are addressed decisively.

The Board acknowledges that the PP's investigation was further informed by the Auditor-General of South Africa's (AGSA) disclaimer audit opinion on NSFAS's 2024/25 Annual Financial Statements, as well as the governance instability that culminated in the dissolution of this Board and the subsequent placement of NSFAS under administration during 2026. The Board takes full and sincere responsibility for the systemic challenges identified, even though they predate its appointment. The Board does not seek to deflect from these difficulties; rather, it is committed to owning them and to working collaboratively with all oversight bodies to ensure they are fully addressed.

The Board is pleased to report that AGSA has expressed satisfaction with the remedial actions it has taken to date. This progress would not have been possible without the constructive oversight and guidance it received from the Auditor-General, and extends the same spirit of openness and cooperation to the PP as we move forward together.

The NSFAS Board had the privilege of engaging with the Office of the PP during the course of the investigation. However, due to the dissolution of the Board in May 2026, the Board was unable to engage on the final report prior to its release. We deeply regret this missed opportunity for dialogue and wish to reaffirm our respect for the Office's processes. The Board will therefore seek an early audience with the PP to present our turnaround strategy and the full scope of our audit remedial actions, demonstrating the progress we have made and the concrete steps we are taking to address the findings. The NSFAS Board believes that this engagement will further strengthen its shared commitment to accountability and good governance. The Board looks forward to re-engaging with the Office at the earliest opportunity and to working collaboratively on the implementation of the recommendations. Additionally, the Board is confident that through continued partnership and shared purpose, it can strengthen NSFAS and restore public trust.

Since its appointment, the Board has worked diligently to restore NSFAS to a path of stability and excellence. In the period February 2025 – April 2026, it achieved the following:



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- Improved the Close Out project reconciliation status from 50% to 94% for Universities and from 9% to 100% for TVET colleges.
- Raised organisational performance from a stagnant 40% over five years to 64% for the 2025/2026 financial year.
- Concluded financial statements, audits, and annual reports that had been backlogged for two years.
- Finalised a legal review on student accommodation and presented it to the Department of Higher Education and the Portfolio Committee on Higher Education.
- Introduced a performance management system for the first time in five years.
- Filled critical vacancies in Executive and Senior Management.
- Initiated processes to decentralise NSFAS services to institutions of higher learning.
- Oversaw a stable and systematic start to the 2026 academic year.

The Board is deeply encouraged by the words of the Minister of Higher Education, who remarked at the start of 2026: "Importantly, NSFAS's performance has improved. First-time entering students knew their statuses on time before the Matric results were released, and continuing students knew their status before the end of the previous academic year. This has reduced anxiety for students and improved institutional planning and system stability." The Board appreciates the Minister's continued support and leadership.

NSFAS remains a cornerstone of human capital development in South Africa, playing an indispensable role in expanding access to higher education and training for thousands of young people across the country. The Board acknowledges that our work is far from complete, and it remains resolute in our mission to serve students with integrity, transparency, and care.

NSFAS Board extends its sincere gratitude to the Public Protector, the SIU, the Auditor-General, the Department of Higher Education and Training, Minister of Higher Education and Training and all stakeholders for their shared commitment to accountability, good governance, and the future of South Africa's youth. It looks forward to continued collaboration and to building, together, an NSFAS that is stronger, more trustworthy, and better equipped to fulfil its vital national mission.

Issued by: National Student Financial Aid Scheme (NSFAS) on behalf of the NSFAS Board.

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