

MEDIA STATEMENT

TO ALL EDITORS/EDUCATION REPORTS

DATE: 05 AUGUST 2025

NSFAS STATEMENT ON CURRENT STATUS ON PAYMENTS RELATED TO STUDENT ACCOMMODATION

The National Student Financial Aid Scheme (NSFAS) wishes to address recent media reports and provide clarity on the current status of payments related to student accommodation.

NSFAS wishes to reaffirm that payments for accommodation are made exclusively for claims that have undergone and satisfied all validation and verification procedures. Non-payment may result from claims involving students who are not funded, claims lacking confirmation from relevant institutions, or cases where registration data was not received prior to the payment deadline.

NSFAS remains committed to safeguarding students from adverse outcomes, including eviction and safety risks, and continues to collaborate closely with institutions to resolve these issues swiftly and effectively.

1. Outstanding Amounts Owed by NSFAS

NSFAS does not confirm owing R62 million in arrears from January 2024 to July 2025. The Private Housing Student Association (PHSA) is an association representing landlords. NSFAS directly processes payments to individual landlords and does not make payments to associations. Furthermore, PHSA has not furnished a detailed breakdown of the claims they allege to be outstanding.

2. Payments Made to Landlords in April 2025

In April 2025, NSFAS committed to advancing the disbursement date from the end of April to 17 April. A total of **R744,406,752** was paid to landlords during this period in an effort to settle outstanding claims and reduce arrears.

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National Student Financial Aid Scheme

3. Allegations of NSFAS Running Out of Funds

NSFAS affirms that it has not exhausted its funding for paying landlords. Payments are made strictly based on validated claims for students who are funded. Delays in payments can occur due to several factors, including:

- Students residing in accredited properties but not yet funded
- Students onboarded at institutions not participating in the pilot program
- Invoice discrepancies or errors
- Students qualifying for transport allowances but residing in accredited accommodation
- Properties inaccurately accredited with high grades despite not meeting minimum norms and standards
- Challenges related to the registration data upload portal, which was temporarily closed due to funding constraints. This has resulted in some students facing eviction, as landlords deny re-entry owing to unpaid dues. NSFAS, along with partner institutions, is actively engaging to communicate and address these issues, which have caused hardship for affected students.

4. Addressing the Role of Middlemen in Payments

NSFAS is currently undertaking a comprehensive legal review of its student accommodation management processes and the involvement of third-party partners. We await the outcome of this review and will implement the recommendations to enhance transparency, integrity, and efficiency in our payment processes.

NSFAS remains dedicated to supporting students and ensuring the timely and accurate disbursement of funds. We appreciate the cooperation of all stakeholders and remain committed to resolving these matters swiftly.

For further inquiries, please contact NSFAS.

Enquiries: media@nsfas.org.za

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