



National Student Financial Aid Scheme

The National Student Financial Aid Scheme (NSFAS) Vital Statistics: 2022

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The National Student Financial Aid Scheme (NSFAS) Vital Statistics: 2022

1. Executive Summary

The National Student Financial Aid Scheme (NSFAS) has a very clear social mission: to alleviate financial constraint for admission to post school education and training (PSET) for those who are academically qualified. The scheme focuses on increasing accessibility of the poor and other marginalized groups to public universities and Technical and Vocational Educational and Training (TVET) colleges. The financial definition of poor and working-class households was redefined from those with a household income of less than R122,000 to ones with a household income of up to R350,000 per annum. Before this change in 2018, two policy mechanisms regulated the number of NSFAS funded students who qualified for funding to remain within the allocated budget:

- Each institution was given an allocation of NSFAS funding.
- Applicants were ranked according to their estimated family contribution and their academic performance, amongst other criteria.

The Vital Statistics Series is aimed at formalizing a document that, on an annual basis, will present and regularly communicate information based on a descriptive analysis of available NSFAS data. This aligns with fulfilling mandate e) and b) and f) if clear policy implications derive from the analysis. The greater communication and availability of NSFAS data will assist in the post-school education and training (PSET) system evaluation of the role of student financial aid in reaching education and training, and broader societal goals in South Africa.

The series aims to provide the latest audited data available on NSFAS funded students in an easy to use and consistent format. This inaugural issue will only present 2022 data. Most of the graphs in the publication are based on data extracted from the Manual Disbursement system and Organisational Data Store (ODS). The NSFAS Vital Statistics document is designed to provide consistent messaging and reporting. This issue will report along three key areas:

- Area 1: Who does NSFAS fund?
- Area 2: How much money is spent, on what and where?
- Area 3: Vulnerable students funded by NSFAS?

The report provides evidence that the majority of NSFAS funded students are females. The overwhelming majority of NSFAS beneficiaries are African. Additionally, the majority NSFAS funded students can be found at universities. The majority of NSFAS applications come from Gauteng, the provincial distribution of the students we fund aligns with the location of provisioning institutions. The highest proportion of NSFAS funded students at TVET's and Universities was found to be in the Management and Related studies field

(41.7% and 30%) respectively. In 2018 NSFAS disbursed a total of R41,7 billion across South African public PSET institutions, with Universities accounting for 37.11 billion and TVETS only 4.6 billion aligning with the treasury guidelines for TVET funding. NSFAS continues to be successful in directing funding especially to African and female students. Substantial increases in funding to SASSA grant beneficiaries and household's points to greater levels of success in identifying such individuals for NSFAS support

2. Introduction

The National Student Financial Aid Scheme (NSFAS) has a very clear social mission: to alleviate financial constraint for admission to post school education and training (PSET) for those that are academically qualified. The scheme focusses on increasing accessibility of the poor and other marginalized groups to public universities and Technical and Vocational Educational and Training (TVET) colleges. The former loan and bursary scheme was changed to a fully subsidised bursary scheme in 2018 with no repayable loan component. The financial definition of poor and working-class households was redefined from those with a household income of less than R122,000 to ones with a household income of up to R350,000 per annum. Before this change in 2018, two policy mechanisms regulated the number of NSFAS funded students who qualified for funding to remain within the allocated budget:

- Each institution was given an allocation of NSFAS funding.
- Applicants were ranked according to their estimated family contribution and their academic performance, amongst other criteria.

3. Background and the objective of the Vital Statistics series

The NSFAS Act NO 56 of 1999 sets out the functions of NSFAS as the:

- a. allocation of funds for loans and bursaries to eligible students;
- b. development of criteria and conditions for the granting of loans and bursaries to eligible students in consultation with the Minister;
- c. raising of funds as contemplated in section 14(1);
- d. recovery of loans;
- e. maintenance and analysis of a database and undertaking research for the better utilisation of financial resources;
- f. advising of the Minister on matters relating to student financial aid; and
- g. performance of other functions assigned to it by this Act or by the Minister."

The Vital Statistics Series is aimed at formalizing a document that, on an annual basis, will present and regularly communicate information based on a descriptive analysis of available NSFAS data. This aligns with fulfilling mandate e) and b) and f) if clear policy implications derive from the analysis. The greater communication and availability of NSFAS data will assist in the post-school

education and training (PSET) system evaluation of the role of student financial aid in reaching education and training, and broader societal goals in South Africa.

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- Area 1: Who does NSFAS fund?
- Area 2: How much money is spent, on what and where?
- Area 3: Performance of students funded by NSFAS?

4. Area 1: Who does NSFAS fund¹?

a. Demographic profile, 2022

In 2022 a total of 810 532 students met both the academic and financial eligibility criteria to benefit from the DHET Bursary Scheme, administered by NSFAS. Of these, 67% (541 843) were females and 33% (268 689) were male (Fig.1). Disaggregating by institutional type shows that the proportional representation of women is consistent, for TVET Colleges and Universities this proportion is at 67%.

¹ For the purpose of this report funded means the number of students that satisfied both the academic and financial eligibility criteria for funding as at the start of 2022.

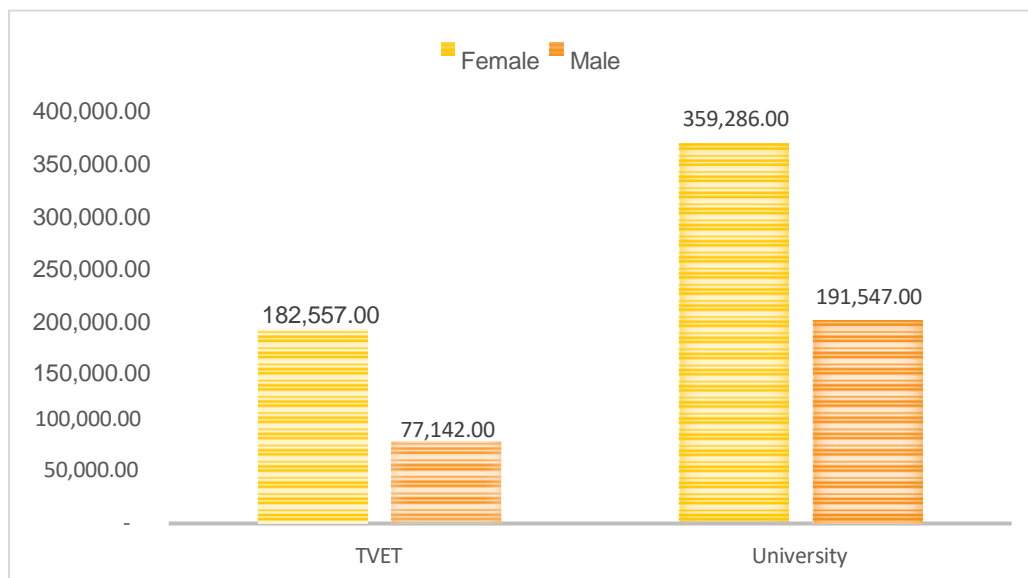


Figure 1: 2022 NSFAS funded students disaggregated by gender and institutional type

The overwhelming majority of beneficiaries were African students (94%), followed by Coloured students (4%), White students (1%) and Indian students (1%) (Fig 2). The proportion of African students is some 14% higher than the proportion of Africans in South African society. Similarly, Coloured students are some 5 percentage points less represented when compared to the total South African population. White students and Indian students are underrepresented, compared to society norms by 7.3% and 2.6%, respectively.

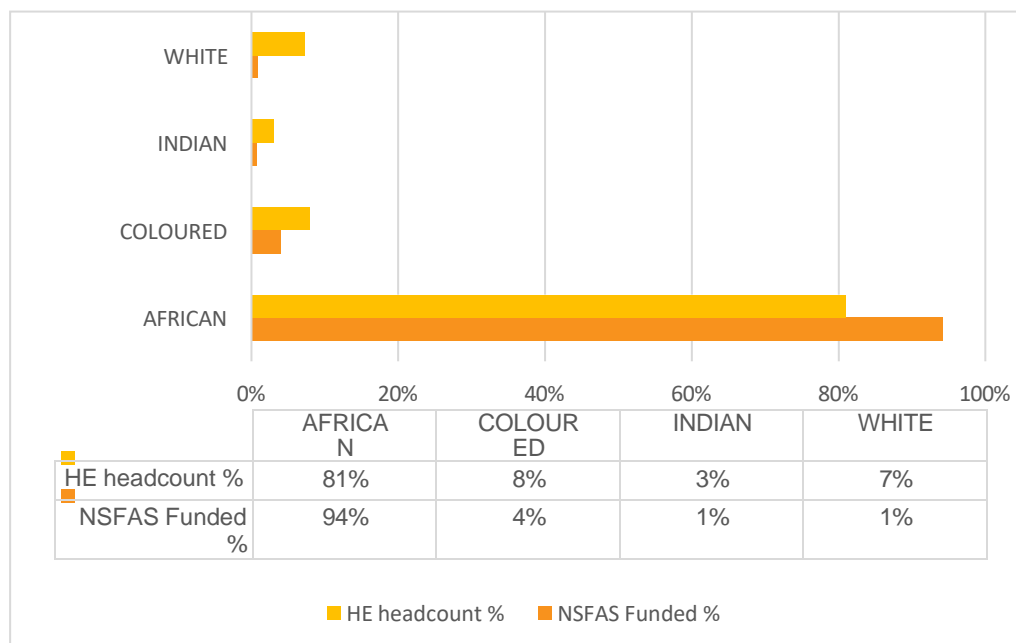


Figure 2: represents a comparison between the total South African Population and 2022 NSFAS funded students disaggregated by race2

b. Institutions and location, 2022

Figure 3 shows that the majority of NSFAS funded students come from the Gauteng (42%) and KZN (16%), with the minority coming from the NC (1%), LIMPOPO (5%), this is expected as these provinces have the least or newest institutions in the country. This is a change as KZN was the province with the majority of NSFAS funded students in the previous academic year. This is however expected as Gauteng (26%) has the highest population estimates as compared to other provinces.

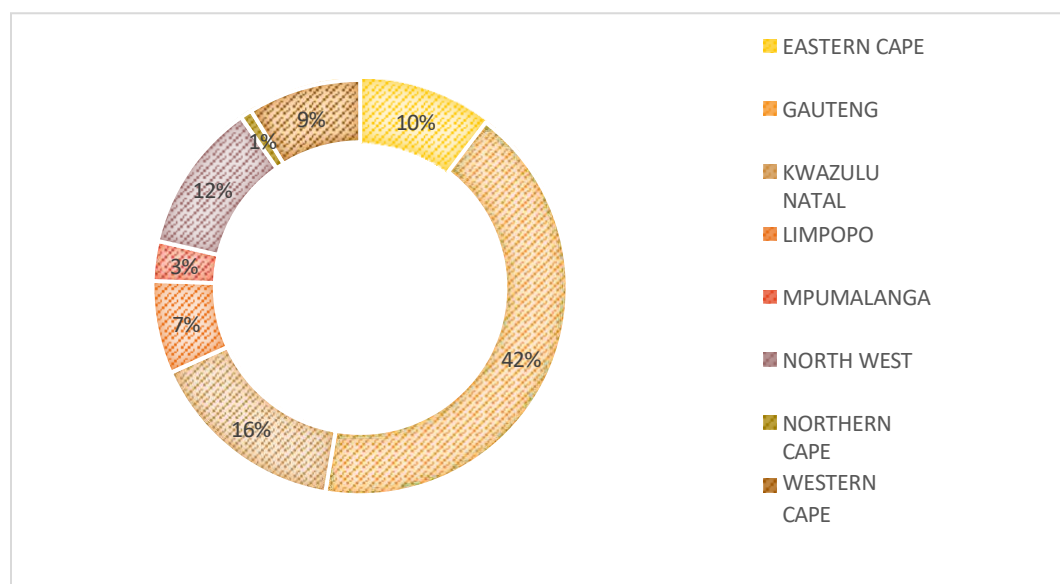


Figure 3: NSFAS funded students disaggregated by Province, 2022

The majority of NSFAS funded students can be found at universities. Across 26 Universities a total of 550 833 students were funded for the 2022 academic year (68% of total NSFAS funded students for 2022). Across 50 TVET Colleges a total of 259 699 students were funded for the 2022 academic year (32% of total NSFAS funded students for 2022).

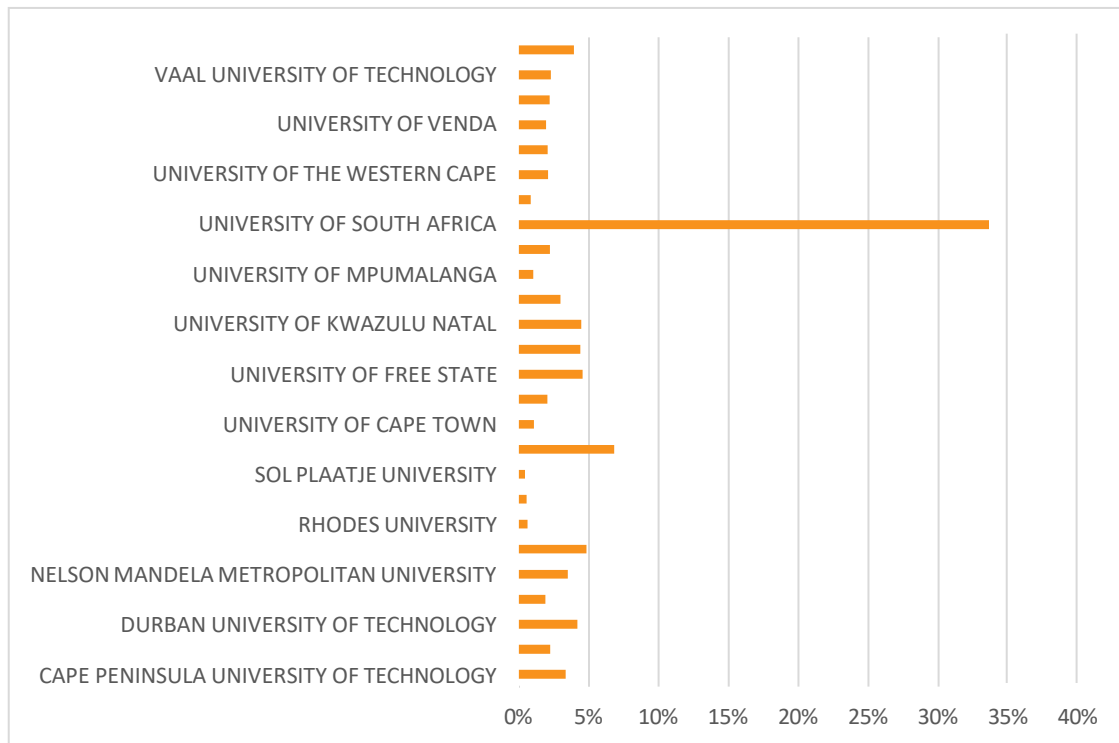


Figure 4: 2022 NSFAS funded students as a percentage disaggregated by institution type, university.

Figure 4 illustrates that UNISA has the highest proportion of NSFAS funded students which form roughly 34%. Sol Plaatje has the lowest proportion of NSFAS funded students (0.4%). However, it is important to note that UNISA students do not receive the full cost of study, as they do not qualify for accommodation allowances given that they are a distance learning institution.

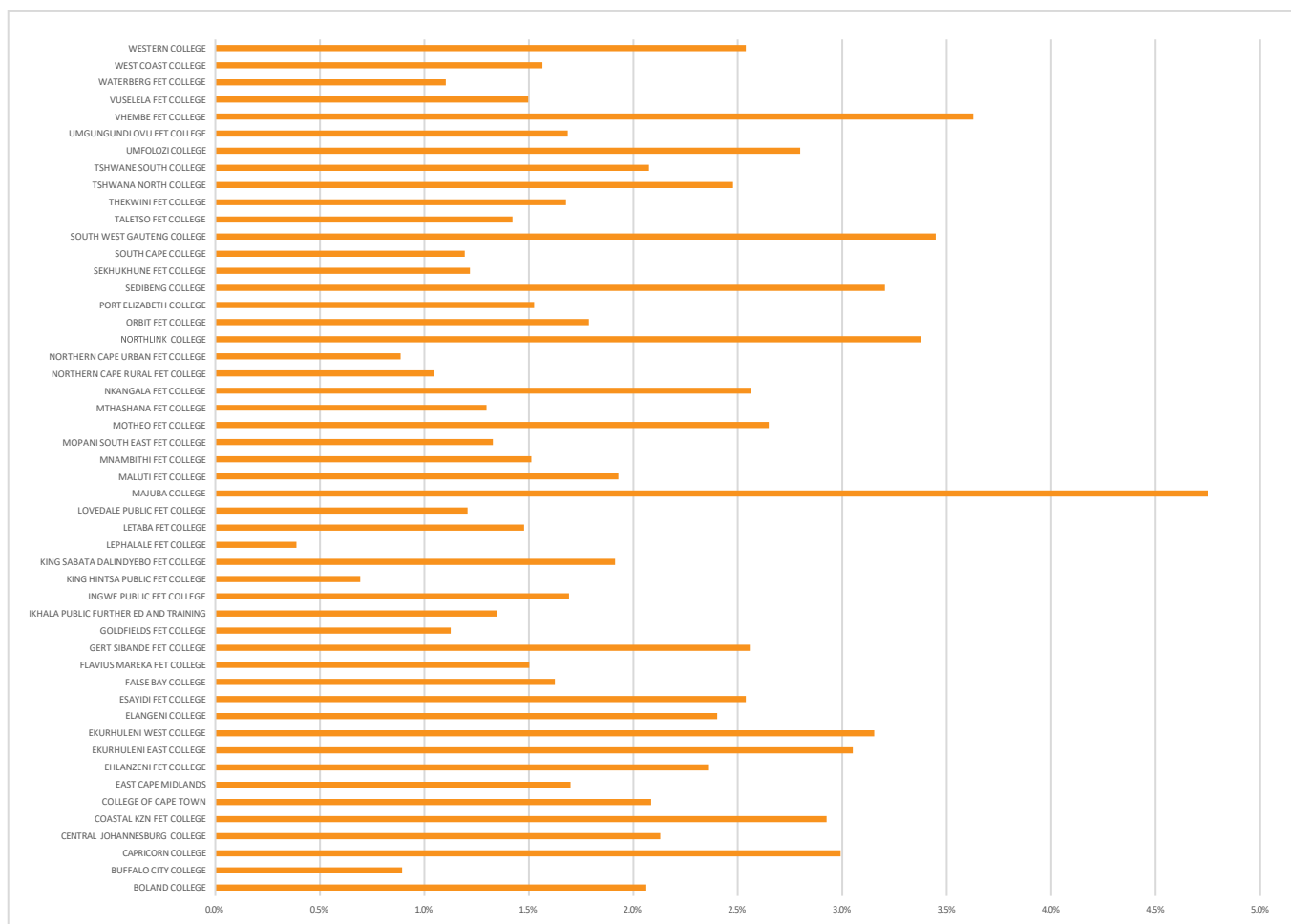


Figure 5: 2022 NSFAS funded students as a percentage disaggregated by institution type, TVET.

Figure 5 illustrates that NSFAS funded students in TVET Colleges across South Africa. Majuba college in KZN province has the highest proportion of NSFAS funded students in relative to the lowest funded college found in Northern Cape Rural College. According to the statistics on post-school education and training in South Africa (2021), a total of 589 083 students were enrolled in TVET colleges. On average 44%³ of the proportion of TVET students are funded by NSFAS.

c. Field of study and qualification types, 2022

The highest proportion of NSFAS funded students at TVET's and Universities was found to be in the Science and related studies field (41.7% and 30%) respectively. Once more, Management and Related studies (38.7%) accounted for the second highest proportion for both Universities

³ Total number funded by NSFAS in TVET Colleges, 259 699

and TVETs. The lowest proportion of funded students were found to undertaking studies in the field of Safety in society for both TVET's and Universities at 0.3% and 0.4% respectively.

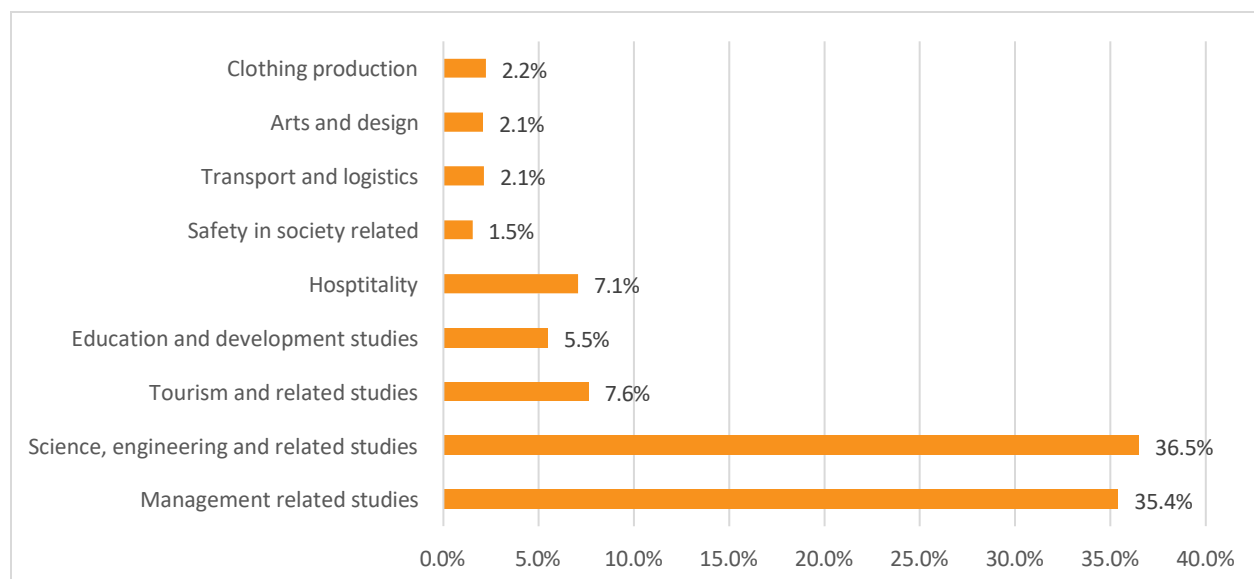


Figure 6: Number of TVET NSFAS funded students by field of study, 2022

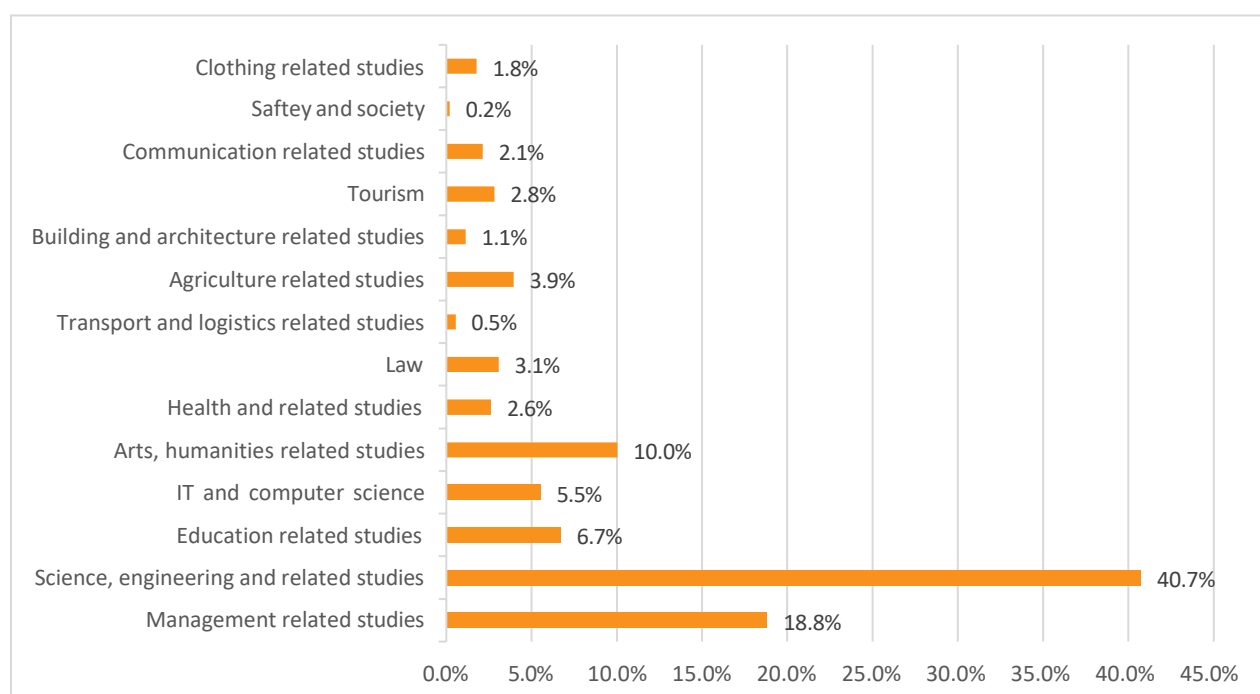


Figure 7: Figure 6: Number of University NSFAS funded students by field of study, 2022

5. Area 2: How much money is spent, on what and where?

a. To which institutions, 2022

In 2022 NSFAS disbursed a total of R41,7 billion across South African public PSET institutions, with Universities accounting for R37,11 billion and TVETs only R4,6 billion aligning with the treasury guidelines for TVET funding⁴.

Figure 6 represents actual disbursement values for universities for 2022 per institution. From data TUT, UNISA and NWU receives the biggest amounts of money, with SPU, RHODES and SMU the least.

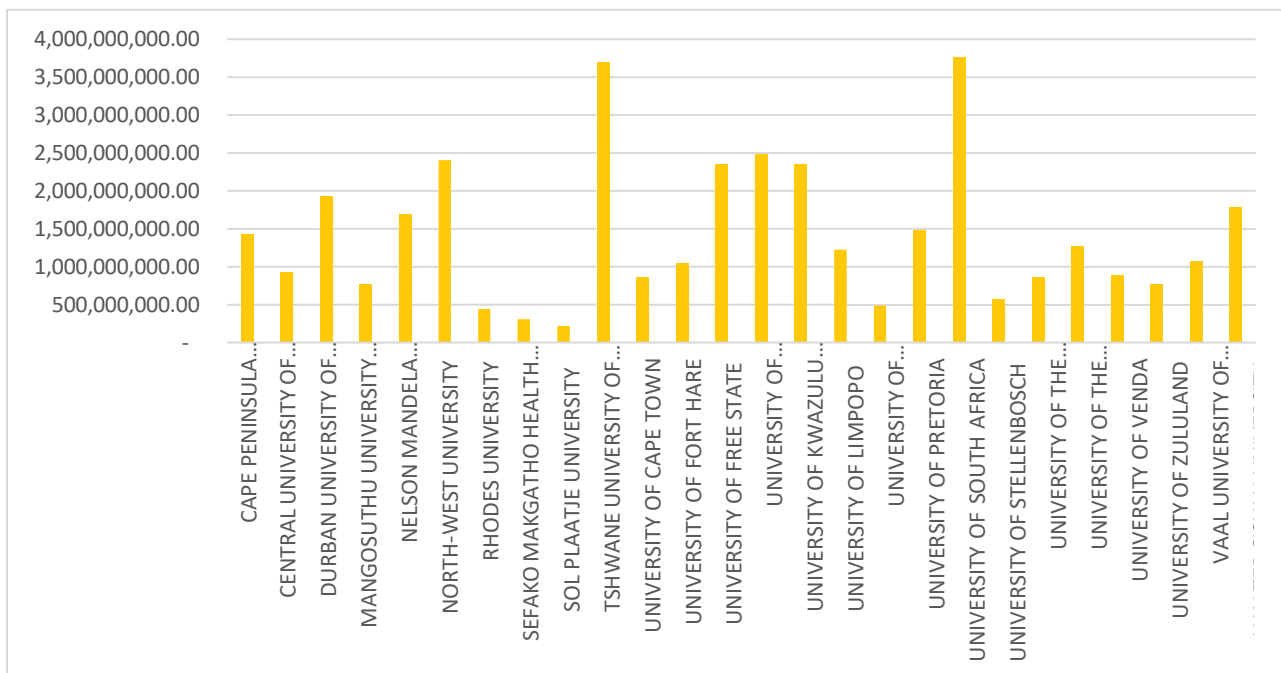


Figure 9: University disbursement values disaggregated by institution, 2022

Table 1 and 2 represents NSFAS disbursed funding value per province for TVETs and Universities. The highest disbursed amount in universities occurs in Gauteng, with the being lowest in Northern Cape. The highest disbursed amount in TVET colleges occurs in KZN. From the data below, we see a great disparity between amounts disbursed to Universities and TVETs.

This mainly due to, the TVET/College funding model regulated by Treasury (2013) NSFAS funding only accounts for 20% of the TVET overall sources.

Table 1: NSFAS disbursed values disaggregated by province and institutional type, 2022

Universities	Number of students	Disbursed Amount
EASTERN CAPE	55472	4,969,059,068.00
GAUTENG	285783	14,064,606,617.50
KWAZULU NATAL	70302	5,825,891,191.00
LIMPOPO	27053	2,112,425,535.00
MPUMALANGA	5616	491,019,057.00
NORTH WEST	63862	5,698,992,759.00
NORTHERN CAPE	2373	218,573,590.00
WESTERN CAPE	40372	3,735,136,627.00
Grand Total	550833	37,115,704,444.50

Table 2: TVET disbursement values disaggregated by institution, 2022

TVETs	Number of students	Disbursed Amount
EASTERN CAPE	28496	563,565,164.00
GAUTENG	57327	946,365,298.00
KWAZULU NATAL	56063	1,062,193,342.00
LIMPOPO	31513	646,635,369.00
MPUMALANGA	19423	414,393,520.00
NORTH WEST	30936	521,513,500.00
NORTHERN CAPE	5015	88,253,399.00
WESTERN CAPE	30926	436,313,721.00
Grand Total	259699	4,679,233,313.00

6. Area 3: Vulnerable students funded by NSFAS?

Another important indicator is the number of NSFAS beneficiaries that are SASSA recipients, as this speaks to a very vulnerable social group in our society that require specific NSFAS support and targeting. The student-centric model intends to increase student payment efficiency and reduce dropout rates in higher education. Having an educated society equates to nation-building.

The number of applicants funded has more than tripled over the years. The significant rise in Social Grant Beneficiaries (SGBs) obtaining NSFAS funding possibly indicates that efforts between the Department of Social Development (DSD) and NSFAS in linking their data sets to aid the identification of eligible students, is starting to bear fruit.

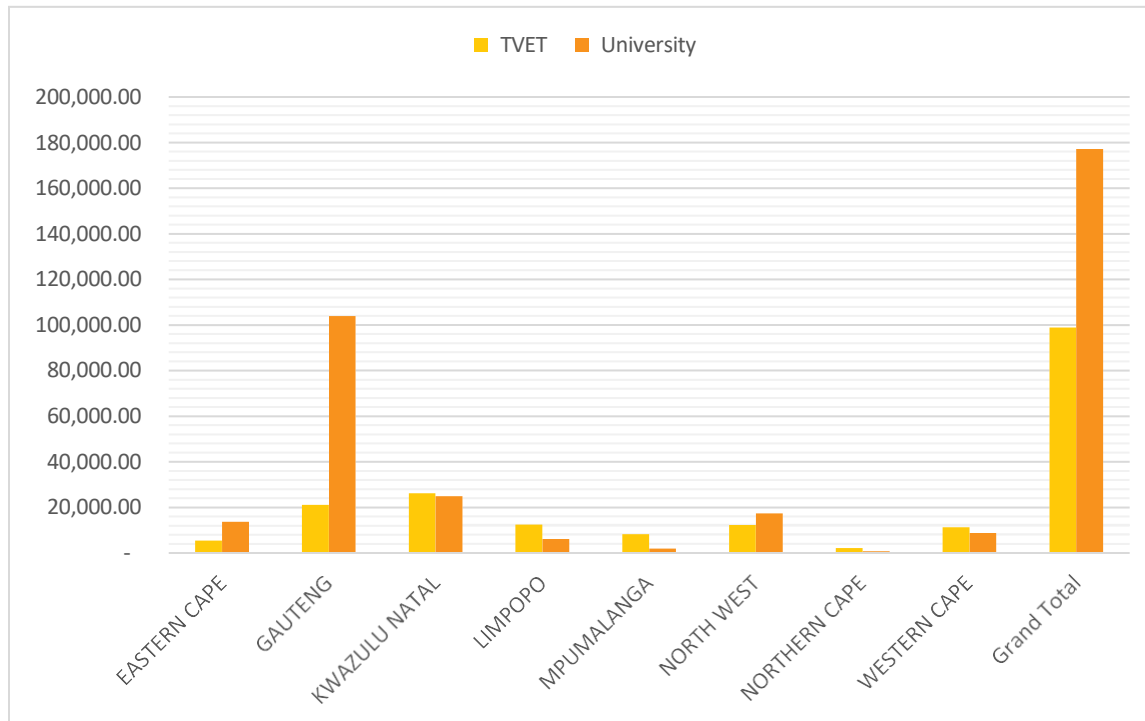


Figure 10: Sassa recipients funded by NSFAS disaggregated by institution type, 2022

Figure 10 outlines NSFAS funded students SASSA recipients disaggregated by institution type. The results showed that Gauteng has the highest number of SASSA recipients funded by NSFAS. The figure also shows KZN has more SASSA recipients funded by NSFAS studying in TVET colleges.

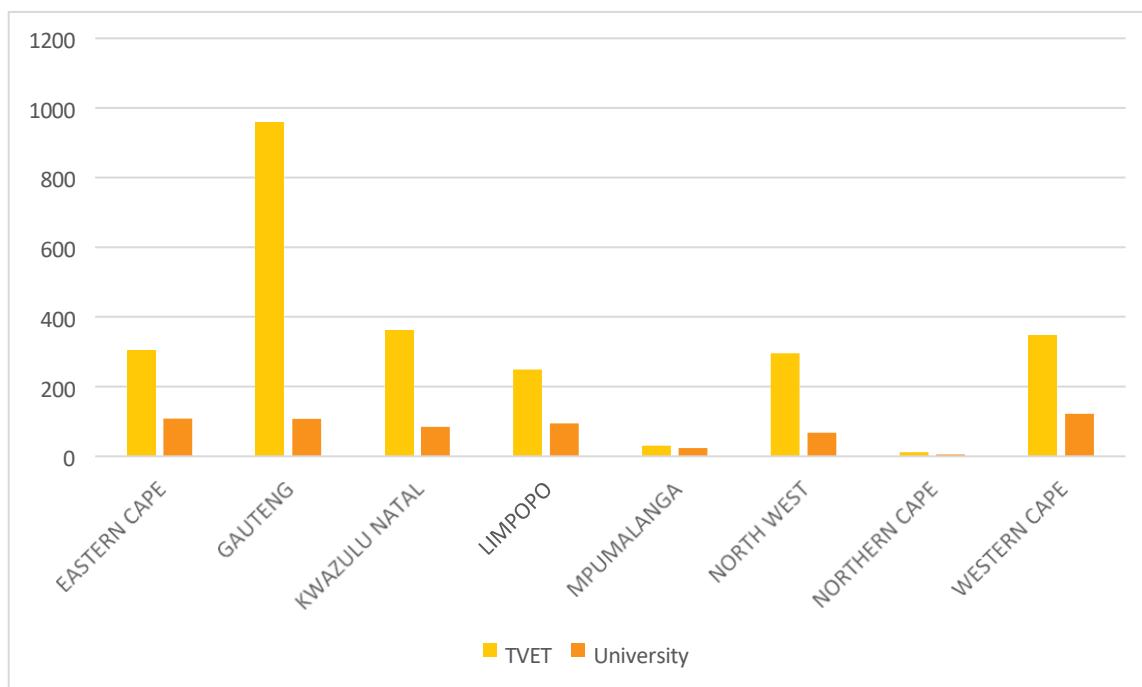


Figure 11: Students living with disabilities funded by NSFAS disaggregated by institution type, 2022

Figure 11 represents students living with disabilities funded by NSFAS in 2022. The figure shows that Gauteng (33,6%) has the highest number of NSFAS funded students living with disability, while Northern west has the lowest (0,5%).

7. Conclusion

NSFAS continues to succeed in funding the as per its mandate of the poor and working class in terms of bursaries and the biggest beneficiaries being African female students who form part of the previously disadvantaged group. NSFAS is contributing towards the transformative agenda of the country and realizing the aspirations of our constitutional democracy by redressing the imbalances of the past.

Substantial increases in funding to SASSA grant beneficiaries and households' point to greater levels of success in collaborating with third parties, making it easier to fund students who are in vulnerable groups. This demonstrates efforts in responding to student centered model by improving efficiencies in the application process. The provincial distribution of the students we fund, aligns with the location of provisioning institutions, but it is interesting to see a substantial under-representation of NSFAS funded students coming from Limpopo. NSFAS needs a research database/ knowledge system that will provide the research unit with the data needed to update this document annually. Improved awareness and outreach campaigns to better target potentially eligible, but extremely vulnerable and marginalized individuals.

It is comforting to see that majority of NSFAS beneficiaries are pursuing studies in Science and Management related fields. These qualifications improve the employability status of a student or their potential to be entrepreneurs, which contributes to the country's economic outlook.