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**GOVERNMENT NOTICES • GOEWERMENTSKENNISGEWINGS**

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**DEPARTMENT OF HIGHER EDUCATION AND TRAINING**

NO. 7425

4 May 2026

**NATIONAL STUDENT FINANCIAL AID SCHEME ACT, 1999  
(ACT NO. 56 OF 1999, AS AMENDED)****APPOINTMENT OF AN ADMINISTRATOR FOR THE NATIONAL STUDENT  
FINANCIAL AID SCHEME**

I, **Kgwaridi Buti Manamela**, MP, Minister of Higher Education and Training, in terms of sections 17A to 17D of the National Student Financial Aid Scheme Act (Act 56 of 1999), as amended (the Act), hereby appoint **Professor Hlengani Mathebula** as an Administrator of the National Student Financial Aid Scheme (NSFAS).

The appointment takes effect from the date of publication of this *Government Gazette* and shall endure for a period of twenty-four (24) months, subject to extension in accordance with section 17A(3)(b) of the Act, or until the appointment of a new Board in terms of section 5 of the Act, whichever occurs first.

The terms of reference for the Administration are set out in the Schedule hereto.

**MR KB MANAMELA****MINISTER OF HIGHER EDUCATION AND TRAINING****SCHEDULE**

## **TERMS OF REFERENCE**

### **ADMINISTRATOR FOR THE NATIONAL STUDENT FINANCIAL AID SCHEME**

#### **1. Statutory Basis**

- 1.1. In terms of section 17A(1) of the Act, the Minister may, after consultation with the Board if practicable, appoint a person as Administrator to take over the management, governance and administration of NSFAS and to perform the functions of NSFAS where the statutory grounds contemplated in section 17A are present.
- 1.2. The appointment is made in terms of section 17A(1)(b) of the Act, on the basis that circumstances have arisen which, viewed holistically, reveal the serious undermining of the effective functioning of NSFAS.
- 1.3. The Minister is satisfied, as required by section 17A(2) of the Act, that the appointment of an Administrator is in the interests of NSFAS and of higher education and training in an open and democratic society.
- 1.4. In terms of section 17D of the Act, the Board of NSFAS is dissolved from the date on which the Administrator is appointed in terms of section 17A(3)(a).

#### **2. Powers and functions of the Administrator**

- 2.1. The Administrator shall, from the effective date of appointment, take over the management, governance and administration of NSFAS and perform the functions of NSFAS in accordance with the Act and all applicable law.
- 2.2. The Administrator shall exercise all powers necessary to stabilise NSFAS and implement the terms of reference contained in this Schedule.
- 2.3. Without limiting the generality of paragraphs 5.1 and 5.2, the Administrator shall:
  - 2.3.1. Assume responsibility for the governance and executive oversight of NSFAS during the period of administration;

- 2.3.2. Ensure continuity of NSFAS operations, including funding decisions, appeals, disbursements, reconciliations, accommodation processes, stakeholder engagement, statutory reporting and audit preparation;
- 2.3.3. Review and implement a consolidated remedial action plan for repeat audit findings and material irregularities;
- 2.3.4. Implement a consequence-management plan with named responsible persons, milestones and reporting mechanisms;
- 2.3.5. Institute, continue or support disciplinary, contractual, recovery, condonation, write-off and other accountability processes where required and lawful;
- 2.3.6. Resolve the Auditor-General's data analytics findings, including eligibility and funding irregularities, and implement preventative controls;
- 2.3.7. Clear the appeals backlog and remedy the system deficiencies contributing to appeals delays;
- 2.3.8. Accelerate approval and implementation of the ICT digitalisation strategy;
- 2.3.9. Advance NSFAS-institutional integration and other relevant institutional and government data-sharing arrangements, including the SARS data-sharing agreement;
- 2.3.10. Complete and implement a college-by-college plan for the TVET College Close-Out Project;
- 2.3.11. Review student accommodation accreditation, compliance, payment and enforcement processes; and suspend or take lawful action against non-compliant accommodation providers where required;
- 2.3.12. Strengthen internal audit, risk management, compliance, financial controls and reporting;
- 2.3.13. Review organisational design, capacity, operating model, and change-management arrangements and ensure the appointment of key staff in the entity;
- 2.3.14. Improve student-facing services, including contact-centre capacity and query resolution mechanisms;
- 2.3.15. Engage with public universities, TVET colleges, student representatives, National Treasury, the Auditor-General, the Department and other relevant stakeholders;

- 2.3.16. Work with the Department of Higher Education and Training to provide recommendations on a sustainable student funding model and finalise and implement funding guidelines, including policy and guidelines for the “missing middle” loans.
- 2.3.17. Develop and implement a transition plan for the return of NSFAS to ordinary governance after administration; and
- 2.3.18. Perform any ancillary functions necessary to achieve the administration's objectives.

### **3. Assistance to the Administrator**

- 3.1. In terms of section 17B of the Act, the Administrator may, with the approval of the Minister, appoint any person with suitable knowledge and experience to assist in the performance of the Administrator's functions.
- 3.2. Such assistance may include expertise in audit remediation, forensic investigation, public finance management, ICT, data integration, student funding operations, institutional reconciliation, accommodation compliance, organisational design, legal services, risk management, stakeholder communication and change management.

### **4. Reporting obligations**

- 4.1. The Administrator shall report to the Minister of Higher Education and Training or to any official designated by the Minister.
- 4.2. Within 3 months of appointment, the Administrator shall submit an initial stabilisation plan addressing:
- 4.2.1. immediate operational continuity;
  - 4.2.2. audit remedial priorities;
  - 4.2.3. consequence-management priorities;
  - 4.2.4. data analytics resolution measures;
  - 4.2.5. ICT and data-integration priorities;
  - 4.2.6. appeals backlog clearance;
  - 4.2.7. TVET College Close-Out Project implementation;

- 4.2.8. student accommodation compliance;
  - 4.2.9. stakeholder communication; and
  - 4.2.10. risk mitigation during the transition to administration.
- 4.3. The Administrator shall thereafter submit written progress reports to the Minister every quarter, or at such other intervals as the Minister may determine.

## **5. Institutional continuity**

- 5.1. The appointment of the Administrator shall not interrupt the ordinary operations of NSFAS except to the extent necessary to implement this Notice and the Administrator's terms of reference.
- 5.2. All existing lawful contracts, delegations, employment relationships, reporting obligations, funding processes, and institutional engagements shall continue unless and until lawfully amended, suspended or terminated by the Administrator in accordance with applicable law.
- 5.3. The Acting Chief Executive Officer, executive management, employees, contractors, service providers and stakeholders of NSFAS must cooperate with the Administrator to ensure continuity of service delivery.
- 5.4. The former members of the Board must cooperate with the Administrator and provide all records, information, documents, minutes, resolutions, reports, correspondence, electronic records, access credentials and institutional knowledge reasonably required for a proper transition.

## **6. Duration of appointment**

- 6.1. The Administrator is appointed for a period of twenty-four (24) months from the effective date of appointment, subject to extension in accordance with section 17A(3)(b) of the Act, or until the date on which a new Board is appointed in terms of section 5 of the Act, whichever occurs first.
- 6.2. The appointment shall terminate upon the occurrence of either of the events contemplated in paragraph 6.1 above.

## **7. Transitional and exit arrangements**

- 7.1. The Administrator shall, during the period of administration, develop an exit and transition plan for the return of NSFAS to ordinary governance.

## **8. Commencement**

- 8.1. This Notice takes effect on the date of publication of this Schedule in the *Government Gazette*.
- 8.2. The Administrator shall commence duties on the effective date of appointment.