

# SOUTH AFRICAN FUTURE EDUCATION AND TRAINING STUDENTS ASSOCIATION



## Provision Of Student Funding In The Post School Education And Training

### *Background*

This document seeks to give a comprehensive presentation on the provision of student funding in the post school education and training sector, particularly the Technical and Vocational Education and Training (TVET) sector. The only reliable student financial aid in the TVET space is the National Students Financial Aid Scheme (NSFAS) with few if there are any other student financial aids unlike Universities with a basket of different Financial aid systems, e.g. University of Johannesburg with (Merit Bursary, Orange Carpet, Funsu Lushaka, Leadership Bursary, Culture and Sports bursary, Alumni Bursaries) and two Loans (NSFAS and Edu-Loan).

However what is unique about the TVET space is that, amongst all other challenges relating to student financial assistance, NSFAS is in a form of a bursary not a loan.

### Why funding TVET Sector in a form of Bursaries?

South Africa has set National development programs with many objectives but amongst those objectives there is a vision to increase skills (vision 2030), as a

developing country, South Africa needs to prioritize skills development in order to create jobs ,increase revenue and create entrepreneurs .

TVET colleges are a pathway towards achieving this objective as they are meant to empower students with scarce skills and skills that are in demand (Nated and vocational programs).

Generally both in basic and higher education students from disadvantaged communities are at risk of missing out an opportunity to access education ,they are often robbed of their only chance to change the plight of their families, communities and that of contributing to the development of the economy of our country because they are coming from rural areas or poor households. For those whose worlds has been turned upside down by conflict or environmental disaster ,education offers stability and hope even here in South Africa young people's lives are shaped by their education.

Experience through observation informs us that the poorest students do less well in class than their wealthier counter parts and low literacy is linked to low pay and unemployment. Majority of students in the TVET sector are beneficiaries of NSFAS.

### **Funds allocation for Students**

Funding is allocated on the basis of academic merit and financial need. The financial need of the student is assessed using the NSFAS Means Test tool when awarding bursaries to students. The academic merit of the student is assessed by NSFAS using an academic record or statement of results when awarding bursaries to students and to this end, students are given priority in terms of the academic ratings.

Bursaries are awarded to the most deserving students on the basis of their highest degree of financial need and best academic performance.


The entry requirements into an NC(V) or Report 191 programme is not sufficient for a student to qualify for a bursary award. The bursaries should be awarded against an approved and signed/accepted agreement/contract (Schedule of Particulars) between NSFAS and the student after a means test have been

conducted. Students may be awarded bursaries up to a maximum of four years for the NC(V) programme.

### What is Funded by the National Students Financial Aid Scheme

The first priority is College fees and if there are funds still available, travel or accommodation allowances are considered. Students are given up to a maximum of R20 970 for accommodation and for Travel is R7 864. The accommodation amount is inclusive of meals.

### Challenges Faced by Student, Funding agencies and Institutions

 **Student Challenges** – One of the serious challenges faced by our students is Insufficient financial aid funding. Many students in our institutions are not given financial aid assistance and this has resulted to many drop outs, student unrests, etc.

\_ We also observed that late payments for allowances such as accommodation and travel has complicated the day to day life of our students in the TVET space. Many are not able to attend classes regularly precisely because of late payments and many of our students are evicted by the landlords because of late accommodation payments.

\_ Communication of bursary approvals is a challenge. There is no effective communication to give a status of the bursary application to the applicant. this has resulted to students having debts, poor parents applying for loans and a huge number number of drop-outs.

\_ The means test system is criticised by many of our

students simply because till to date it is not able to identify fraudulent activities by those who are not financially needy. Many financially needy and academically performing students are suffering as a result of these fraudulent activities because funding that is meant to support poor and academically deserving students is manipulated.

- ✚ Funding Agencies \_ What is experienced by both NSFAS and our institutions is fraudulent activities by some of our students that are not financially needy.
- \_ Also delay of application submission is noted a problem.
- \_ The National Student Financial Aid Scheme has sighted not investment in return in terms of academic performance.

## Improvements

The National Student Financial Aid Scheme (NSFAS) has established a new student centered model. This allows students to apply online and to also apply directly to NSFAS. We see this new centred model as a progressive initiative and we are anticipating progress in terms of delay of payments, less-corruption, fraudulent activities and maladministration.

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## Recommendations

There is an urgent need for NSFAS to establish few more branches to offload some of the challenges faced by students.

The means test system needs to be reviewed and tightened up so close gaps for manipulation of the bursary application process.

The Department of Higher Education needs to increase the funding for TVET space and this will address the issue of access in the TVET space and challenges on travel and accommodation allowances.

The National Student Financial Aid Scheme is the only biggest financial aid scheme for both Universities and Public Technical and Vocational Education and Training and currently this financial entity of the Department of Higher Education and Training has no capacity to fund all needy students, the private sector as the biggest employer in our country needs to play a role, particularly in the TVET space in terms of awarding bursaries for scarce skills.

Government departments should contribute in assisting certain faculties with bursaries and this is implemented in Universities, therefore it needs to be implemented in the TVET space.