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**MEDIA STATEMENT  
FOR IMMEDIATE RELEASE  
07 FEBRUARY 2024**

**SIU MAKES FURTHER PROGRESS IN NSFAS INVESTIGATION WITH MORE THAN R737 MILLION IN RECOVERIES**

The Special Investigating Unit (SIU) has so far made a recovery totalling **R737 926 351**. The figure includes **R688 220 611.56** in unallocated funds and signed acknowledgement of debt agreements of **R49 705 739.60** as part of an investigation into the affairs of the National Student Financial Aid Scheme (NSFAS).

The unallocated funds are due to poor control systems and a lack of reconciliation processes by NSFAS and were not collected from institutions of higher learning. When approached by the SIU, the institutions cooperated, which led to a quick recovery process.

The SIU was presenting its findings to Parliament's Standing Committee on Public Accounts (SCOPA) on Wednesday, 7 February 2024.

The SIU has so far recovered the following funds from institutions of Higher Learning:

- **West Coast College-R5 057 679.00**
- **Northlink College-R33 369 404.97**
- **Walter Sisulu- R19 900 174.00**
- **Nkangala TVET- R342 672.50**
- **University of Johannesburg- R311 892 088.94**
- **University of Zululand-R58 088 144.65**
- **University of Pretoria- R200 000 000.00**
- **Majuba TVET College- R25 902 309.31**
- **University of Mpumalanga- R33 668 138.56**

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The SIU has also signed acknowledgement of debt agreements of R49 705 739.60 with Motheo Technical Vocational Education and Training (TVET) College in the Free State, and with parents and students who did not meet the NSFAS funding criteria.

The SIU investigation has revealed that NSFAS failed to design and implement controls to ensure that there is an annual reconciliation between the funds disbursed to the institutions and the allocation of those funds to the students.

These control weaknesses have led to overpayments and underpayments of funds to the different institutions over the period 2017 to date. NSFAS has recently appointed a service provider to assist them in performing this reconciliation via a process called "close-out reporting". The reconciliation process is still ongoing.

Furthermore, the SIU found that Celbux – the e-wallet/voucher payment system- had many "dormant" accounts lying active on the Celbux system dating back to 2018 amounting to an estimated value of **R320 million**.

With regards to NSFAS-funded accommodation, the SIU found that details of the accommodation such as physical addresses and details of the landlord or owner of the accommodation were not captured on the NSFAS system. The physical address of the accommodation and landlord or owner was not vetted by the NSFAS.

The SIU is in terms of Proclamation R88 of 2022 authorised to investigate allegations of corruption and maladministration in the affairs of NSFAS and to recover any financial losses suffered by the State through corruption and negligence.

The SIU is empowered to institute civil action in the High Court or a Special Tribunal in its name, to correct any wrongdoing uncovered during both investigations caused by acts of corruption, fraud, or maladministration. In line with the Special Investigating Units and Special Tribunals Act 74 of 1996, the SIU will refer any evidence pointing to criminal conduct it uncovers to the National Prosecuting Authority (NPA) for further action.

**END.**

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