

Students fear being evicted again if NSFAS payment issues not resolved

"My family is over 1,500kms away in the Free State and I don't really have anyone in Cape Town that I can go live with if we are evicted again," she says.



Students from CPUT were locked out of this private residence building on 210 Long Street, Cape Town for several hours on Tuesday because the building owner claims he has not been paid monies owed to him for rent. Photo: Qaqamba Falithenjwa

- A dispute over payment to the owner of private student accommodation in Long Street, Cape Town has left students fearing that they could be homeless.
- On Tuesday, the owner of 210 Long Street, a private residence for CPUT students, locked out about 360 students from the building, claiming that he had not been paid.
- However, CPUT has accused the landlord of failing to meet the minimum norms and standards required to charge students the rate paid to a fully accredited residence.

A second-year marine engineering student at the Cape Peninsula University of Technology (CPUT) says she is worried about being evicted from her accommodation again if the NSFAS payment issue is not resolved soon.

The student, who asked that her name be withheld, was among about 360 CPUT students who were locked out of their accommodation Tuesday by the owner of 210 Long Street, a private residence for CPUT students. The student says the landlord had sent “bouncers” room to room to chase them out. She says about a month ago, the landlord told them to go to CPUT’s financial office at the Bellville campus to pressure management to pay him.

“My family is over 1,500kms away in the Free State and I don’t really have anyone in Cape Town that I can go live with if we are evicted again,” she says.

The students were allowed back into the building later that evening after negotiating with the building owner. The landlord, who only introduced himself as Oliver on the phone, claimed he was owed about millions of rands in rent. He claims students have been living in his building free of charge since April this year.

However, CPUT has accused the landlord of failing to meet the minimum norms and standards required to charge students the rate paid to a fully accredited residence.

This comes as more than 200 students from different universities [marched to Parliament](#) on Wednesday to voice their frustrations over the National Student Financial Aid Scheme (NSFAS) funding system. The students handed over a [petition](#) with more than 1,600 signatures calling for the new payment system to be scrapped.

Housing allowance challenge

In 2022 NSFAS allowed students to stay in residences that cost up to R5,900 per month. This amount was decreased this year when the funding scheme introduced a R45,000 annual limit on accommodation allowances and a policy where NSFAS does not cover accommodation fees for students completing modules that account for less than 60 credits.

NSFAS issued guidelines stipulating private accommodation should provide, among other things, suitable areas for cooking, storing food, a four-burner stove per eight students, a microwave oven, and lockable cupboard. The 210 Long Street building currently does not meet all of these requirements.

At 210 Long Street, according to students, the landlord is charging more than what NSFAS had apparently paid.

When we called the landlord on Thursday afternoon, he said he would be meeting CPUT management to “find a way forward”, or he would have to take the same steps again. But a notice sent to students late on Thursday night by the manager read: “We had a meeting with senior representatives of CPUT today, and asked to not continue with the eviction process this week as they will go back and find a viable solution to move forward. We will be in communication with everyone, when we get a response.”

CPUT Spokesperson Lauren Kansley told *GroundUp* on Thursday that the 210 Long Street accommodation is an unaccredited residence.

“The landlord is insistent that he wants to be paid the rate for a fully accredited residence, despite the accommodation not meeting the minimum norms and standards. This amount is R45,000 and the landlord is only eligible for an amount in the region of R41,200,” said Kansley.

She said CPUT management has had several meetings with the landlord explaining this issue. “The institution is surprised at the landlord’s decision to evict the students when the majority of them have paid upfront for the month of August,” she said.

NSFAS in trouble

In a statement on Wednesday, NSFAS announced that its chief executive officer Andile Nongogo has taken “a leave of absence” while the board investigates allegations against him related to his conduct in the awarding of bids at NSFAS. Chief Financial Officer Masile Ramorwesi is acting CEO until further notice.

According to the Organisation Undoing Tax Abuse (Outa), NSFAS hired businesses without banking license registrations to handle direct payment to students, and these businesses charge much higher rates than commercial banks would charge. Outa started exposing the irregularities as early as September 2022.

“We published our report in February 2023 which showed that the four companies who won the tenders to implement the new direct payment system were ill-equipped for the task and were not registered as financial service providers. Two of the service providers were not registered as VAT vendors. One service provider had links with dubious tenders awarded by the Services SETA during Nongogo’s tenure as CEO there, which Outa had previously exposed,” the organisation stated on Thursday.

OUTA said despite voicing their concerns to NSFAS, the funding aid scheme again implemented the new direct payment system on 30 June 2023. “This decision negatively affected the payment of NSFAS allowances to thousands of students.”

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