Official reply: 06 April 2017

**NATIONAL ASSEMBLY**

**FOR WRITTEN REPLY**

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**179. Ms B S Masango (DA) to ask the Minister of Social Development:**

(1) With reference to the reply of the Minister of Finance to question 2220 on 30 November 2016, what is the detailed breakdown of each amount (a) paid to each of the specified contractors to date and (b) budgeted for each of the specified contractors for the (i) 2015-16, (ii) 2016-17, (iii) 2017-18 and (iv) 2018-19 financial years;

(2) how much of the SA Social Security Agency’s total budget for the (a) 2015-16, (b) 2016-17, (c) 2017-18 and (d) 2018-19 financial years has been allocated to preparing for the agency’s internal capacity to administer the payment of social grants? NW190E

**Reply:**

1. The amount referred to as *payment contractors* in the reply to question 2220 actually refers to:
2. The budget for expenditure incurred towards the contractor for disbursement of grant monies (Cash handling Fees). Expenditure to date (end February 2017) for 2017/18 is R 1,889,541,996
3. The budgeted amounts for the disbursement of grant monies is as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  R’000 | **2015/16** | **2016/17** | **2017/18** | **2018/19** |
| Budgeted Amount |  2,211,551  |  2,145,984  |  2,258,674  |  2,257,024  |

1. Following approval by the National Treasury for the South African Social

Security Agency to retain its cash surplus the Agency will utilise the cash surplus for the purpose of funding internal capacity for the takeover of the administration of the payment of social grants. The table below shows the budgeted amounts from the retained cash surplus and not necessarily from the baseline.

|  |  |  |  |
| --- | --- | --- | --- |
| R'000 |   |  |  |
| 2015/16 | 2016/17 | 2017/18 | 2018/19 |
|  66,050  |  132,669  |  248,000  |  14,000  |