Official reply: 16 October 2017

**NATIONAL ASSEMBLY**

**FOR WRITTEN REPLY**

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**2831. Mrs K Jooste (DA) to ask the Minister of Social Development:**

(a) How many cases of illegal deductions from social grants were reported to her department

(i) in each of the past three financial years and

(ii) since 1 April 2017 and

(b) what is the total financial value of these illegal deductions in each case? NW3138E

**Reply:**

1. SASSA started recording the disputed deductions as from the 2015/16 financial year. The number of cases reported for each financial year were as follows:

2015/16: 21 728

2016/17: 109 781

2017/18 (to date): 14 434

It should be noted that these do not all represent illegal deductions, but rather disputed deductions which were reported to SASSA. In many cases, the beneficiary acknowledged having bought the financial product, but only wanted the deductions not to continue in the future.

The above disputed deductions are for a number of products, including EFT disputes (for loan repayments); ATM disputes (where the ATM either did not give the money requested; declined the transaction or swallowed the card); disputes related to the sale of pre-paid electricity and/or airtime. In resolving the disputes, SASSA arranges for the specific card to be blacklisted for future products (meaning that no more pre-paid products can be loaded to that specific card, and then refers the matter to be investigated by the service provider. Not all disputes result in refunds to the beneficiaries.

SASSA has no record of illegal deductions.

1. Since 1 April 2017, a total of 14 434 disputed deductions have been registered by SASSA.
2. As indicated, SASSA only records disputed deductions, not illegal deductions. There is therefore no record of the value of illegal deductions. However, SASSA can report that the total value of refunds made for disputed deductions for the period from April 2015 to 31 March 2017 is R2 037 715.