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**NATIONAL ASSEMBLY QUESTION FOR WRITTEN REPLY**

**QUESTION NUMBER: 1318**

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**INTERNAL QUESTION PAPER NUMBER: 13 - 2021**

**1318. Mrs G Opperman (DA) to ask the Minister of Social Development:**

(1) With reference to the presentation of the Auditor-General to the Portfolio Committee on Social Development, (a) with what amount did the debtors balance increase due to the R350 Social Relief of Distress grant overpayments and (b) what number of ineligible beneficiaries received food parcels and vouchers due to poor policies and procedures;

(2) (a) what are the reasons behind the slow progress in finalising cases under investigation in the SA Social Security Agency and (b) what is the impact of the slow progress of finalising cases on consequence management;

(3) what are the reasons that not all contracts were listed in the procurement plan of the National Development Agency? NW1513E

**REPLY:**

1(a) The total amount paid to beneficiaries who were not eligible for the Special COVID-19 SRD Grant is R11 175 950.

(b) All people who received food parcels from SASSA met the broad qualifying criteria as set in the Social Assistance Act, which, under Regulation 9(2) stipulates that a person may qualify for social relief of distress “if refusal of the application may cause undue hardship…”

 While some of the citizens who received a food parcel may have also been in receipt of a social grant (largely one of the child grants), this is also permitted in terms of Regulation 16A which allows for the provision of social relief of distress to a child already benefitting from a social grant, “where the prevailing economic circumstances warrants the provision of social relief of distress.”

 In addition, Regulation 9(5) to the Social Assistance Act provides for the provision of social relief of distress to citizens who are affected by a declared or undeclared disaster. The COVID pandemic has been the largest declared disaster faced by this country and the number of citizens requiring assistance increased significantly during this period.

 The assistance provided by SASSA was provided in accordance with the requirements of the Social Assistance Act and Regulations. However, SASSA was not the only instance providing assistance in the form of food parcels.

(2) (a) what are the reasons behind the slow progress in finalising cases under investigation in the SA Social Security Agency

The total number of exceptions that were identified by the Auditor General of South Africa (AGSA) is 67670. Most of these exceptions were mainly as a result of SASSA not having access to the databases that the AGSA had. SASSA immediately stopped payments to all the cases flagged by the AGSA.

The number of exceptions identified by the AGSA are as follows:

**Table: Exceptions identified by the AGSA and action taken by SASSA**

|  |  |  |
| --- | --- | --- |
| **Category** | **Number of exceptions** | **SASSA action** |
| PERSAL/ PERSOL | 15711 | SASSA has SASSA has commenced the process of recovering money from public servants who received the Covid 19 SRD grant. In addition SASSA has referred the implicated public servants to the relevant departments for disciplinary action.The Fusion Centre is working with the Department of Public Service and Administration to ensure that all implicated public servants are pursued.  |
| UIF | 15069 | People who benefitted from the Covid SRD grant and UIF were referred to the Fusion Centre for further investigation. |
| UIF-TERS | 2119 | People who benefitted from the Covid SRD grant and UIF were referred to the Fusion Centre for further investigation. |
| Social Pension | 15062 | SASSA has stopped payments to these cases, which mainly arose from timing differences in the validation databases that were used by SASSA and AGSA. |
| NSFAS | 10358 | SASSA has stopped payments to these cases, which mainly arose from timing differences in the validation databases that were used by SASSA and AGSA. |
| Internships | 6562 | SASSA has stopped payments to these cases, which mainly arose because SASSA did not have access to the internships databases. |
| Department of Agriculture vouchers | 1281 | SASSA has stopped payments to these cases, which mainly arose because SASSA did not have access to the Department of Agriculture database on recipients of their vouchers. |
| Spaza support | 372 | SASSA has stopped payments to these cases, which mainly arose because SASSA did not have access to the Spaza support database. |
| Inmates | 332 | SASSA has stopped payments to these cases, which mainly arose from timing differences in the validation databases that were used by SASSA and AGSA. |
| GEPF | 312 | SASSA has stopped payments to these cases, which mainly arose because SASSA did not have access to the GEPF database. |
| PLAS farmers | 289 | SASSA has stopped payments to these cases, which mainly arose from timing differences in the validation databases that were used by SASSA and AGSA. |
| Artists | 111 | SASSA has stopped payments to these cases, which mainly arose because SASSA did not have access to the Department of Arts database. |
| IDC Debt Relief | 65 | SASSA has stopped payments to these cases, which mainly arose because SASSA did not have access to the IDC database. |
| Sport applicants | 27 | SASSA has stopped payments to these cases, which mainly arose because SASSA did not have access to the Department of Arts database. |
| **TOTAL** | **67670** |  |

SASSA has referred the suspected fraudulent cases to the Fusion Centre (which consists of the Financial Intelligence Centre, Special Investigating Unit, State Security Agency, National Prosecuting Authority, South African Police Service) for further investigation. The Fusion Centre is still busy with the investigations.

(b) what is the impact of the slow progress of finalising cases on consequence management;

It should be noted that the Covid SRD grant applications were processed electronically by matching information from various databases and systems. There is thus no consequence management that needs to be pursued on officials. However SASSA has commenced the process of recovering money paid to the implicated government employees. SASSA has in addition referred the implicated government employees to their departments for disciplinary action.

(3) With reference to the 2020-21 procurement plan, 14 (fourteen) contracts of the 19 contracts planned as per the 5th (fifth) amendment of the procurement plan were awarded by financial year end. The two contracts referred to by the Auditor-General, as not being included on the 2020-21 procurement plan, were for the Western Cape Provincial office space, and the Mpumalanga - Hazyview District office space. These contracts were extended briefly during the 2020-21 financial year, to accommodate the removal of furniture and equipment, and were then terminated, in accordance with a decision taken by management, early in the financial year, to rationalise the costs for leased premises. These contracts were however listed in the 2019-20 procurement plan, a tender for office space was issued in that financial year, and adjudicated in April 2020. It was subsequently cancelled to align with management’s decision to terminate the lease contracts for Western Cape and Mpumalanga –Hazyview, and these contracts were therefore not included in the 2020-21 procurement plan.