**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**NATIONAL ASSEMBLY QUESTION FOR WRITTEN REPLY**

**QUESTION NUMBER: 1430**

**DATE OF PUBLICATION IN INTERNAL QUESTION PAPER: 21 MAY 2021**

**INTERNAL QUESTION PAPER NUMBER: 14 - 2021**

**1430.** **Dr M M Gondwe (DA) to ask the Minister of Social Development:**

With reference to her reply to question 696 and question 697 on 23 March 2021, (a) on what date did the specified SA Social Security Agency (SASSA)-led investigations commence, (b) what number of the specified investigations (i) have actually been resolved and (ii) are still outstanding, (c) who specifically at SASSA is conducting the investigations, (d) what number of people at SASSA are currently responsible for conducting the investigations and (e) how are the investigations being conducted? NW1628E

**REPLY:**

**With reference to her reply to question 696 and question 697 on 23 March 2021, (a) on what date did the specified SA Social Security Agency (SASSA)-led investigations commence**

On 9 July 2020, SASSA received the findings from the Auditor General containing 20797 exceptions relating to the Covid-19 SRD grant. These exceptions included 216 government employees (PERSAL registered) who received the special COVID 19 SRD grant for the month of May 2020.

On 16 July 2020, SASSA received additional findings from the Auditor General containing 11845 exceptions of which 25 related to government employees (PERSAL registered) who received the special COVID 19 SRD grant for the month of May 2020.

Thus the total number of government employees who were flagged by the Auditor General is 241.

On 7 August 2020 SASSA received additional findings from the Auditor General containing 1513 exceptions consisting of company directors whose companies had received payment for government contracts. It is important to highlight that SASSA did not have access to the databases that the Auditor General used to identify the exceptions.

SASSA’s Project Management Office, upon consideration of the reports of the Auditor General and in consultation with management immediately suspended payments to certain categories of Covid 19 SRD grant beneficiaries. Among those that were immediately suspended were payments to the implicated government employees and the 1513 company directors.

As a result of the suspension of the payments, the implicated government employees each received R350 for May 2020 and no more.

SASSA engaged the Auditor General on the exceptions/findings with particular focus on some of the discrepancies. For instance, of the sample records tested from the findings provided by AGSA for instance the Grants it was noted that the applicants did not receive any grants in April 2020 – they only received grant payments from May 2020 and thus qualified to receive the R350 in May 2020. This was confirmed during a walkthrough with the AGSA on the system in terms of two records which AGSA themselves had chosen for verification and validation.

SASSA placed a focus on the 1513 company directors and the 241 government employees who received the Covid-19 SRD grant for further investigation.

SASSA has since written to the Departments where the implicated officials are employed so that disciplinary action can be taken including recovering the monies that were paid. Most of the implicated government employees work for the Department of Education (75), Department of Health (71) and the Department of Transport (45), with the remaining 50 officials spread across 16 departments.

The investigation into company directors who benefitted from the Covid funds was referred to the Fusion Centre that consists of various law enforcement bodies for further processing.

**(b) what number of the specified investigations (i) have actually been resolved and (ii) are still outstanding**

Please note that none of the investigations have been finalised. The Fusion Centre is still conducting the investigation into the company directors. Regarding, public servants, SASSA is engaging the relevant departments to ensure that the monies are recovered.

 **(c) who specifically at SASSA is conducting the investigations**

The investigations at SASSA Head Office are conducted by 2 Fraud managers, 2 assistant managers and 1 specialist.

**(d) what number of people at SASSA are currently responsible for conducting the investigations**

The Fraud Management department at Head Office has 5 investigators, two of which are managers (level 12), 2 are assistant managers (level 10) and 1 level 8 specialist.

The post of General Manager: Fraud Management has been vacant for more than 5 years. However, this position has been advertised and a new GM: Fraud Manager has been appointed and expected to start duty as of 01 June 2021. The Fraud Management department does not have senior managers. In the interim the General Manager: Information Management has been assisting in managing the Department in addition to his normal functions.

This team is responsible for conducting all the investigations that emanate from Head Office or are cross-cutting, including SASSA card related fraud, general administration including supply chain matters, and the special Covid 19 SRD grant related matters.

**(e) how are the investigations being conducted?**

Due to shortage of staff, the SASSA fraud team relies primarily on data analytics in conducting its investigations. In addition the Fraud Management team works with law enforcement agencies, other state institutions and banking industry partners. Where possible the team also conducts field visits as part of the investigations.

It should be noted that the Special Investigating Unit (SIU) is also conducting investigations emanating from the presidential proclamations numbers R.37 of 2019 and R. 23 of 2020.

In addition, in February 2021 SASSA requested the Special Investigating Unit to assist the Agency with forensic specialists to conduct complex investigations.