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**NATIONAL ASSEMBLY QUESTION FOR WRITTEN REPLY**

**QUESTION NUMBER: 1440**

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

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**1440.** **Mrs G Opperman (DA) to ask the Minister of Social Development:**

(1) What are the reasons for the 11, 44% cut in the budget of the SA Social Security Agency (SASSA), which is the most crucial department for the poor and vulnerable;

(2) How does SASSA intend to (a) alleviate the pressure on the budget in the 2021-22 financial year, (b) sustain the R1 billion budget cut in this Medium-Term Expenditure Framework and (c) ensure no person lives below the extreme poverty line in the nine years to 2030, taking into account the drastic budget cuts? NW1639E

**REPLY:**

(1) The budget cuts to SASSA are as a result of the announcements made by the Minister of Finance in his 2021 Budget Speech, wherein he announced reductions in allocations across government departments, including the Department of Social Development.

 (2) (a) In order to stay within the budget allocation, SASSA has no option but to implement below-inflation increases to the social grant amounts, while also implementing measures to achieve efficiencies in its operations and manage the wage bill. The Agency will consider initiatives to do more with less, such as encouraging grant beneficiaries to choose the most economical channel when withdrawing their grants to lower the cost of disbursing the grants, and review existing contracts and operations to identify areas where savings can be achieved.

(b) In due consideration of the Agency’s budget situation and to deal with budget pressures the following will be given attention:

* 1. Finalise the Business Process Re-engineering project to enhance future personnel and capacity planning.
	2. Reduce travel expenditure and encouraging the use of technology.
	3. Review of the existing contracts to assess their need in the current form.
	4. Improvement and strengthening of the controls in the management of assets e.g. fleet, telephones, etc.
	5. Implement cost containment measures on non-critical areas.
	6. Review prioritisation of projects/ activities to fund other key projects.

(c) SASSA will continue paying social grants to those who meet the qualifying criteria as set in the Social Assistance Act. Given the ever-shrinking financial allocation, SASSA will ensure that only qualifying persons receive the grants – this means that regular reviews of those already in the system will be strengthened; the application process must will be strengthened with external validations to confirm the means of those applying, and communication of the qualifying criteria will also be strengthened.

However, it should be noted that these measures will be undertaken without compromising the provision of social grants to qualifying persons, which is a constitutional right.