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**NATIONAL ASSEMBLY QUESTION FOR WRITTEN REPLY**

**QUESTION NUMBER: 1750**

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**INTERNAL QUESTION PAPER NUMBER: 16 - 2021**

**1750. Ms L H Arries (EFF) to ask the Minister of Social Development:**

With reference to the announcement by the Post Office that it will close more than 150 post offices around the Republic, what contingency plans has she put in place to ensure that the payment of social grants will not be affected by the closure of the specified post offices? NW1961E

**REPLY:**

SASSA has engaged the CEO of the Post Office to determine the impact of these closures.

 The confirmation was provided that the closures are being undertaken in terms of a strategy approved by the Post Office in 2016 as a way in which to reduce costs to the Post Office for outlets which are not commercially viable, will take place over time as the existing leases come to an end, and adequate consultation will take place prior to the closures. The commitment was also made that closures will only be considered where there is alternative infrastructure within a 5 kilometre radius for social grant beneficiaries to be able to access their social grants.

The total number of post office outlets closed between 2015 and 2021 is 120. Of these, only 16 were in rural areas, but all were branches where there was another post office outlet within the close vicinity. The remaining 104 branches were in urban and Metro areas where there is no shortage of alternative National Payment infrastructure which can be used by social grant beneficiaries.

In assessing the impact these closures will have on SASSA beneficiaries, it should be noted that only approximately 3% of all the social grant beneficiaries access their social grants through the post office. Social grant beneficiaries who receive their social grants through their SASSA/SAPO cards (a total of 7 612 640 out of 11 500 274 for June 2021) are able to access their funds through multiple channels, namely bank ATM’s, merchant point of sale devices, over the counter at post offices and at the remaining 1 621 cash pay points.

During May 2021, less than 500 000 social grant beneficiaries accessed their social grant over the counter at post offices.

Notwithstanding the above, SASSA will continue to engage with the South African Post Office to ensure that, where post office outlets are identified for permanent closure, there is alternative infrastructure available, which meets the norms and standards set for social grant payment, to minimise the negative impact on the beneficiaries.