Official reply: 05 April 2017

**NATIONAL ASSEMBLY**

**FOR WRITTEN REPLY**

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**246. Ms N P Sonti (EFF) to ask the Minister of Social Development:**

(a) What executive action will she take to ensure that the South African Social Security Agency (SASSA) does not continue with the illegal contract of Cash Paymaster Services (CPS) for the distribution of social grants and (b) by what date will SASSA be ready to take over the distribution of social grants from CPS? **NW260E**

**Reply:**

1. The Minster will ensure SASSA follows appropriate process to contract CPS for the interim period.
2. The workstreams had recommended that SASSA do not extend:
3. an invalid contract
4. but negotiate new terms
5. that will favour an agreement and increase its grip on grant payments.
6. Government is reevaluating its approach to the insourcing of payment services within SASSA. An approach has been developed by the workstreams to ensure that management are all clear about their roles in taking over the distribution of social grants...