Official reply: 21 September 2015

**NATIONAL ASSEMBLY**

**QUESTION 3472 /2015**

**FOR WRITTEN REPLY**

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**3472. Ms N W A Mazzone (DA) to ask the Minister of Social Development:**

(a) How will (i) her department and (ii) the SA Social Security Agency ensure that Cash Paymaster Services complies with all the relevant legislation and regulations regarding the payment of social grants and (b) what measures has her department put in place to restrict third party creditor access to the social grant beneficiaries’ bank account? NW4133E

**Reply:**

(a)(i) The Department of Social Development through the Social Assistance Act, 2004 (Act No.13 of 2004) has entrusted the responsibility to administer social assistance and pay social grants to the South African Social Security Agency (SASSA). In an effort to fulfill its oversight responsibility the Department has further established formalized engagement structures where matters relating to the administration of social assistance including payment of social grants and compliance with norms and standards are discussed.

(ii) The department is busy looking at the options of protecting older persons’ accounts from unscrupulous loan sharks and other schemes.

(b) The bank accounts of social grant beneficiaries operate within the confines of the national payment system rules. Therefore, although Regulation 26A in terms of the Social Assistance Act, allows deductions for a funeral policy or scheme to take place directly from a social grant before the grant money is paid into a beneficiary’s bank account, however once the grant money is transferred into the bank account of a beneficiary this Regulation ceases to operate.