**NATIONAL ASSEMBLY QUESTION FOR WRITTEN REPLY QUESTION NUMBER: 3865**

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**3865. Mrs G Opperman (DA) to ask the Minister of Social Development: [743][ Question submitted for oral reply now placed for written reply because it is in excess of quota (Rule 137(8))]**

What steps will her department take in response to the Auditor-General’s finding that her department has not adequately addressed material irregularities related to payments made to beneficiaries who did not qualify to receive the R350 Social Relief of Distress grant?

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**REPLY:**

The AGSA made the following recommendations to address the material irregularity findings, which SASSA intends to comply with:

1. Reasonable steps should be taken to implement internal controls to prevent and detect payments to ineligible beneficiaries and these should include verifying the applicants against the latest available databases, maintaining an audit trail of verifications that were performed and cancellation of further payments to ineligible beneficiaries.
	1. SASSA has already implemented this at the time the material irregularity was issued. It was also found that a fair amount of the AGSA data was incorrect; thus further pointing to the reliance only on database to be insufficient.
	2. As it is not possible to have every single database in the country and noting that these databases are not perfect – a further verification step was implemented in April 2022; whereby SASSA also checks funds in bank

accounts against a predetermined threshold. While these have risks as well, they do provide a more reliable, real time data source than the other databases.

1. Appropriate action should be taken to recover payments made to ineligible beneficiaries that were working for the state at the time of applying for the grant. The recovery process should not be unduly delayed.
	1. SASSA has written to the all the departments who have public servants that may have unduly benefited from the COVID SRD grant requesting them to verify the employment of the officials in their department; and to assist SASSA with debt recovery if employment is confirmed.
	2. Many of the departments have acknowledged receipt of the request and are eager to assist.
	3. The Public Service Commission will also assist the department with following up with the government departments; especially those that do not assist.
2. Appropriate action should be taken to obtain legal advice on the process to be followed to recover monies paid to ineligible beneficiaries who are not employed by the state. Based on the legal advice, the feasibility and cost effectiveness of recovering the money should be determined and if it is determined that such recovery is feasible and cost effective then such money should be recovered from the ineligible beneficiaries who are not employed by the state.
	1. SASSA will undertake the investigation into determining the feasibility of recovering debt from the non-public servants.

Over and above the AGSA’s recommendations, SASSA is also working with the fusion centre as well as law enforcement agencies to investigate the criminal aspect of defrauding the state. To date, criminal referrals against these public servants is at 887. More cases will be referred during the current and next quarters respectively.