Official reply: 20 May 2016

**NATIONAL ASSEMBLY**

**QUESTION 981/2016**

**FOR WRITTEN REPLY**

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**981. Ms E R Wilson (DA) to ask the Minister of Social Development:**

What immediate steps is her department taking to address illegal deductions from social grants through the SA Social Services Agency? NW1111E

**Reply:**

It should be noted that the only permissible deduction form a social grant is that which is done in terms of Regulation 26A to the Social Assistance Act, 2004. This provides for deductions from a social grant, before it is paid into the SASSA card, and is for funeral insurance only. There are limitations on the amount which may be deducted. There are currently approximately 778 000 such deductions taking place monthly.

All other “deductions” are in fact EFT debits, which come off the social grant once it is paid into a bank account. Again, not all of these are illegal as many are done with the express consent of beneficiaries. However, both the Department and SASSA are alarmed at the reported increase of disputed deductions.

The Ministerial Task Team, appointed to look at the whole issue of deductions from social grants, and make recommendations as to how this can be addressed, has been working from February 2014 and is still active. This Task team is comprised of representatives from the Department, SASSA and civil society. The Team has recently completed its second report, with recommendations which are currently under consideration.

Currently the Department is involved in two court cases on deductions, with a third pending; the outcome of which will have an impact on how deductions are dealt with in the future.

The Department has also published proposed amendments to the regulations to the Social Assistance Act, 2004 for public comment, which will allow for better control and limit most kinds of deductions. The closing date for public comments was 15 April and the Department has received a wide range of comments from various stakeholders, including the industry itself. There is now a process to work through these comments, before the proposed amendments are finalized and published for implementation.

SASSA implemented a recourse mechanism in 2015. The mechanism was developed after consultation with various stakeholders, including civil society. SASSA staff have been trained on the implementation of this mechanism, and follow up training and implementation monitoring is being done in all provinces.

Any beneficiary experiencing a problem with his/her grant, whether this be related to deductions in terms of Regulation 26A or EFT debits off the social grant once this has been paid into the bank account should contact the nearest SASSA office or phone the SASSA call centre on 0800 60 10 11, CPS 0800 60 01 60 or the GBV 0800 428 428. The beneficiary will be expected to complete an affidavit confirming that he/she never gave authority for the deduction and SASSA is then responsible to work with the relevant role players to resolve this query. Where it is confirmed that the deduction has been implemented without authority, arrangements are made to refund the money to the beneficiary.

In addition to the above, SASSA has embarked on an active communication campaign to educate and raise awareness about this problem. Community leaders are requested to assist in this task, so that every beneficiary understands that they should not give their card or PIN to anyone, it is their responsibility to safeguard their SASSA card, and that they should not respond to tele-marketing or SMS marketing offering financial services or products at all.