

# Govt will comply with Concourt order on social grant payments

Social Development Minister Susan Shabangu says the department will continue to comply with the Constitutional Court order to ensure that millions of beneficiaries continue to receive social grants.



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The Minister said this when she tabled the department's Budget Vote speech at the Old Assembly Chamber in Parliament on Wednesday.

As part of the phase-in phase-out process, in March, the Constitutional Court granted an order for Cash Paymaster Services to continue paying social grants to those who receive their social grants in cash for another six months.

Approximately 2.5 million of these beneficiaries receive their social grants at pay points around the country.

"I want to assure South Africans that we will comply with the Constitutional Court order to ensure that our beneficiaries continue to receive their social grants at all times.

"Social grants were paid in April – they are being paid in May and will continue to be paid.

“We will fulfil this mandate because we are a government that cares,” she said.

This comes after the Minister was faced with the SASSA tender matter when she took over office in February this year.

This included the process of a tender for beneficiaries that receive their social assistance in cash.

A cash tender was advertised by SASSA in January 2018.

However, the tender was suspended due to identified challenges in the process and the suspension has been reported to the Constitutional Court.

“A final decision on the status of the tender will be made in due course,” the Minister said on Wednesday.

In 2013, the Constitutional Court ruled that the tender awarded to CPS by SASSA was invalid.

However, the Court suspended the invalidity for a period of five years until 2017 when SASSA was expected to report to the Court on corrective measures.

The five-year extension did not produce the desirable outcome.

In the failure of corrective measures, the Constitutional Court granted a further extension of the CPS contract for the payment of social grants. The court further extended the suspension of the declaration of invalidity of the contract for a period of 12 months, ending 31 March 2018.

SASSA further requested an extension of the contract in order to allow a phase-in-phase-out process for a period of six-months – which the Court granted.

“Currently, SASSA is working in partnership with the South African Post Office for a seamless card-swop from SASSA into SAPO Cards. The process of card swop started in April this year at SAPO branches,” she said.

## **R163 billion allocated to social grants**

Tabling her Budget Vote speech, the Minister said out of the R173 billion budget allocation for the financial year 2018/19, R163 billion will be transferred to the SASSA for social grant payments, while R7.9 billion will be allocated to the Social Security Policy and Administration.

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