

# SASSA clamps down on grant fraud

PRETORIA: Efforts by the SA Social Security Agency (SASSA) to clamp down on social grant fraud are yielding positive results, with the agency saving R150m a year.



Improvements to SASSA's payments systems have rooted out some of the corruption among employed officials. Image: Anankmri [Free Digital Photos](#)

Presenting the agency's 2012/13 annual report to the National Council of Provinces' select committee on social services on Thursday (6 February), SASSA's chief executive Virginia Petersen said since the implementation of the project to re-register listed beneficiaries, SASSA has received requests for voluntary cancellation of over 150,000 social grants resulting in a saving of R150m.

The number of voluntary cancellations has now increased to 299,837.

The project, which aim to ensure that the correct recipients receive the grants, involved the mass collection of data of existing and new beneficiaries, children receiving grants and procurators.

The information collected from beneficiaries includes fingerprints, voice biometrics and documentation to allow for Financial Intelligence Centre Act (FICA) registration. The biometric system allows for monthly authentication of recipients of grants, ensuring that the right person is receiving the grant.

"A total of 18.9m people were successfully re-registered onto the new system by end of the financial year. The number has since increased to 20.7m. The re-registration resulted in life certification of all beneficiaries, children and procurators," Petersen said.

## Managing fraud

She told the committee that in managing fraud, the focus of SASSA has shifted from beneficiaries to its own staff members, who collude with beneficiaries and other organs of State, including crime syndicates, to defraud the system.

"Efforts to clamp down on corruption in specific regions resulted in arrests and convictions of 10 agency officials, three former agency officials and 15 agents/touts. Fifty-two SASSA officials were suspended, 25 dismissed and seven resigned prior to the completion of their disciplinary cases. The monetary value related to cases finalised amounts to R59.4m," Petersen said.

Other successes, she said, include the arrest of 50 individuals in the Mahlabathini area within the Ulundi District, who were found to be in possession of 127 unregistered SASSA cards, three CPS registration machines and R47,000 in cash. Five of these suspects remain in custody.

Petersen said that 10m SASSA biometric payment cards are being issued to social grants recipients, which allows beneficiaries an option to use the SASSA card to access their grants at several payment gateways including ATMs, pay-points or retail point of sale.

"The introduction of the current payment system has broad positive benefits to both SASSA and beneficiaries and to a large extent, the South African economy. The current payment system has absorbed the previously unbanked into the banking community," she said.

According to Petersen the payment system reduced the costs for transacting, from an average of R30 to R16.44 per transaction and SASSA has automated intelligence on all payment activities.

Through the Integrated Community Registration Outreach Programme (ICROP), a total of 61,110 beneficiaries in 430 poverty wards.

Currently, SASSA is paying about 16m social grant benefits to 9.5m recipients each month.

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