



PARLIAMENT
OF THE REPUBLIC OF SOUTH AFRICA

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23 May 2018

Chairperson: Portfolio Committee Social Development
Ms Rosemary Capa
Parliament of the Republic of South Africa
CAPE TOWN
8000

Electronic message to: Intsabo@parliament.gov.za

Dear Madam,

REQUEST TO INVITE MINISTER SHABANGU AND OTHERS TO ADDRESS PORTFOLIO COMMITTEE

With reference to the attached report by Eyewitness News, dated 22 May 2018 and entitled "SASSA cancels tender for cash payment provider," (Annexure "A") as well as affidavit by Minister Shabangu filed at the Constitutional Court in May 2018 (Annexure "B").

The attached reveals that the South African Social Security Agency ("SASSA") Chief Executive Officer ("CEO"), Mr. A. Mahlangu, had taken the decision to cancel the tender process that was aimed at appointing a new service provider to take over the distribution of cash payments to social grant beneficiaries from Cash Paymaster Services ("CPS").

The attached further reveals that Minister Shabangu has taken the decision to appoint a technical committee to advise her on the way forward.

I am deeply disturbed by the seeming lack of a contingency plan on the part of both SASSA as well as the Minister in the event that they are not able to appoint a new service provider by the time the extension of the CPS contract lapses.

I believe strongly that the portfolio committee should invite the Minister and the CEO of SASSA to address us on contingency arrangements as well as the work of the technical committee and any timelines that they have been set.

I trust you find the above request in order and await your urgent response in this matter.

Kind regards,

Bridget Masango, MP
DA Shadow Minister: Social Development
Parliament of South Africa
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SASSA CANCELS TENDER FOR CASH PAYMENT PROVIDER

The agency has decided to completely cancel the tender which it had earlier put on hold to review the process in the wake of a legal challenge.



A Sassa card. Picture: Supplied

Lindsay Dentlinger | about 18 hours ago

CAPE TOWN - The **South African Social Security Agency (Sassa)**'s attempt to find a service provider to pay recipients who receive their grants in cash has hit yet another snag.

The agency has decided to completely cancel the tender which it had earlier put on hold to review the process in the wake of a legal challenge.

Social Development Minister Susan Shabangu confirmed to **Eyewitness News** at Parliament on Tuesday that the tender has now been cancelled completely.

In papers filed with the Constitutional Court, Minister Shabangu says in the wake of the tender being cancelled, she's decided to establish a technical committee.

It will have to recommend to her alternatives to the cash payment of social grants.

The committee will also have to advise her on matters relating to the transition from Cash Paymaster Services.

The Constitutional Court has ordered that this contract be terminated by September.

Among individuals appointed to the technical committee are former Transport Minister Dipuo Peters, director general in the Justice Department Vusi Madonsela and Siphoshezi, the former special advisor to former Minister Bathabile Dlamini.

Shabangu says she will update the court on the establishment of the committee in a report due at the end of the month.

(Edited by Winnie Theletsane)