



SUBMISSION

Comment on the draft amendments to the regulations under the Social Assistance Act 2004 relating to the application for and payment of social assistance and the requirements or conditions in respect of eligibility for social assistance

30 September 2026

The Institute for Economic Justice (IEJ) is a progressive economics think tank based in Johannesburg. The work of the IEJ includes conducting research on social protection in South Africa, and advocating for an expanded and comprehensive social protection system in line with Section 27 of the Constitution, alongside the country's obligations under international frameworks.

The IEJ welcomes the opportunity to comment on the draft amendments to the regulations under the Social Assistance Act (2004) relating to the application for and payment of social assistance and the requirements or conditions in respect of eligibility for social assistance.

Given the centrality afforded to public participation in our constitutional democracy, we trust that you will give meaningful consideration to our submission and the considered and substantiated proposals.

Should you have any questions regarding this submission, please feel free to contact Dr Kelle Howson, the IEJ's Senior Researcher and Basic Income Project Lead, at kelle.howson@iej.org.za.

First, we provide a general comment on the current status of the administration of applications, payments, conditions and eligibility for social assistance, which forms the backdrop to the current regulatory amendments. We then comment on specific proposed amendments.

1. Status of grant administration forming the backdrop to the amendment

We note that the draft amendments have been preceded by significant changes in the practices and procedures of the South African Social Security Agency (SASSA) with respect to application and eligibility verification for and payment of social assistance. These include:

1. The imposition of conditionalities by National Treasury on SASSA's operating budget, which requires SASSA to significantly intensify verification and review systems, with the explicit purpose of reducing the disbursement of social grants in order to effect 'savings'.
2. The resultant introduction of new methods meant to verify both identity and ongoing eligibility for social grants, including biometric verification, automated credit bureau checks, public database checks, and bank account checks.
3. Ongoing digitalisation in application and verification processes, including through the migration to a consolidated application system used by applicants and SASSA staff assisting applicants, as well as the rollout of 'self-service kiosks' at SASSA offices.
4. The cancellation of the contract with Postbank to facilitate payments of social grants.

The IEJ has registered grave concerns with these developments both in direct correspondence with the government agencies involved, and in public fora. We reiterate these concerns below:

1. *National Treasury's budget conditionality and savings targets:* By imposing specific, extensive and onerous conditions directly on SASSA's operating budget, National Treasury has usurped the Minister of Social Development's role in determining the content and implementation of social development policy, in order to impose its own policy preferences. National Treasury's conditions go beyond the scope of the Social Assistance Act and regulations by requiring SASSA to verify and reverify all grant applicants and holders on registration and at least biannually. This entails a significant scaling-up of grant reviews, which SASSA has not been capacitated to conduct. SASSA has not received additional operational budget to enable it to meet National Treasury's conditions.

National Treasury has set an arbitrary target in the medium-term expenditure framework for the savings it expects to achieve from the implementation of its conditions—amounting to R2 billion in the current financial year, and R1 billion in the next financial year. This target is not based on any investigation into or evidence of the scale of ineligibility, fraud, and waste in the social grant system, nor is it based on SASSA's rate of cancellations in the period leading up to the Budget. SASSA has also failed to produce any evidence relating to the incidence of ineligibility amongst grant holders. Poverty and hunger have not abated, and there is no indication that there is a lower level of need for social assistance in the population.

Instead, National Treasury's savings target has been derived in a different way. It has set itself an overall target of R12 billion 'saved' through the Targeted and Responsible Savings (TARS) programme. It has already identified R9 billion in savings primarily through the scaling down of the public transport network grant, alongside the cancellation of the Postbank contract. It seeks to 'make up' the additional R3 billion to reach its target of R12 billion by reducing the disbursement of social grants. This is arbitrary, because it relies on an assumption that a certain proportion of social grant holders are wrongly receiving social grants, which is based on no empirical evidence whatsoever. It pressurises SASSA to intensify grant cancellation, and the resultant process has been administratively chaotic and has led to tens of thousands of grant holders losing access to their grants on arbitrary and questionable grounds.

Recommendation:

We submit that National Treasury's conditionality on SASSA's operating budget constitutes an unreasonable and potentially unlawful usurpation of the Minister of Social Development's policy-making function, and moreover that the conditions themselves are unreasonable and harmful to constitutional rights, and that these conditions should be withdrawn.

2. *The methods for flagging grant holders for review:* To identify which grant holders to summon for review, in line with National Treasury's conditions, SASSA deploys automated checks on credit bureau data, public databases, and bank accounts. Each of these sources of data is [problematic and unreliable](#). Credit bureau data may be historic and not a reflection of a grant holder's current financial circumstances. Public databases have been acknowledged by DSD and SASSA to be often out of date and unreliable, with these issues being widespread and systemic. Moreover, appearance on a public database in most circumstances cannot be taken as a proxy for ineligibility for a social grant (for example, one may appear on the UIF database due to prior UIF receipt, an unsuccessful application for UIF, or may be receiving UIF payments below the eligibility threshold for the grant). Finally, widespread bank account checks are problematic for several reasons. First, they are unduly intrusive, and based on the notion that social grant applicants and holders essentially waive their POPIA rights by applying. Bank account checks do not distinguish between inflows that meet the proper definition of 'means' for the purpose of verifying eligibility, and those that do not—for instance, money held on behalf of another, like child maintenance payments. The unreliability and intrusiveness of these methods for automatically flagging grant holders to present for review directly contribute to erroneous exclusion and thus contravene the Section 27 right to social assistance. Indeed, the use of bank verification and database verification for the purpose of determining eligibility for social assistance has been found to be [unlawful](#) by the North Gauteng High Court in January 2025.

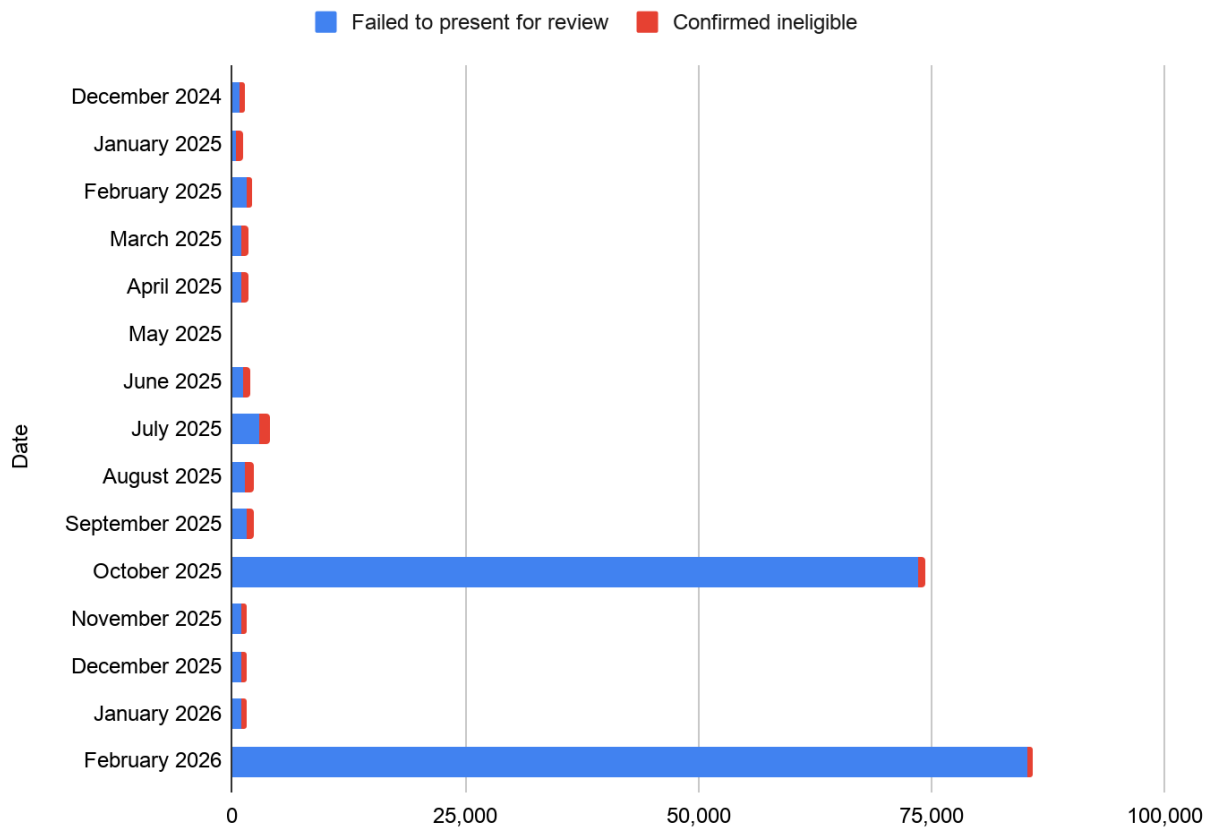
Recommendation:

We submit that in order to determine eligibility for social grants, the state should rely on self-declaration by way of affidavit and accompanying documentation as relevant/necessary, and that misrepresentation should be mitigated through the use of random (as opposed to bulk) audits/reviews which are conducted entirely by a human who gains a full picture of the grant holder's financial circumstances and interviews the grant holder.

3. *The conduct of the reviews, and the risk of unfair exclusion:* Once a grant holder is flagged for review, they have to present to a SASSA office within a stipulated time period in order to demonstrate their ongoing eligibility for the grant. Those who present and are confirmed to be ineligible, or those who do not present within 90 days, will have their grant cancelled. Grant holders face high barriers to presenting at SASSA offices and being assisted by a SASSA staff member. These include knowledge and communication barriers—being able to receive and understand a message from SASSA stating that they are required to present for review. They also include the cost of transport, physical limitations faced by persons with disabilities and older persons, as well as significant undercapacitation of SASSA offices to process the volume of reviews. A large volume of media and civil society reporting has documented extremely long queues at SASSA offices, with many people arriving well before dawn and waiting hours to be helped, and in many cases needing to return multiple times.

It is little surprise then that the vast majority of grant cancellations arising from the review process have been due to people not being able to complete reviews, as opposed to people being confirmed to be ineligible—as shown in Figure 1, which has been generated based on SASSA reporting on the review process. What this indicates is that the grant review process is *not* eliminating benefits paid to those who are not entitled to them. It is eliminating benefits paid to those who face the highest barriers to access—who are disproportionately likely to be vulnerable and in need. This undoubtedly entails a large degree of erroneous and unfair exclusion. This is how SASSA is affecting National Treasury's savings.

Figure 1. Grant cancellations by grounds



Source: IEJ's own calculations based on SASSA grant review reports

Recommendation:

We oppose the current grant review process in its entirety and submit that any grant reviews should proceed on the basis recommended above (self-declarations and supporting evidence on application accompanied by random human audits). In the alternative, if bulk grant reviews continue, we submit that the notice period before a grant is suspended, lapsed, or cancelled should be significantly lengthened (to at least nine months) and that SASSA must be adequately resourced by National Treasury in order to assist persons who present at their offices in a timely manner (within 60 minutes). Wait times should be continually monitored and reported on, and meaningful steps immediately taken if average wait times exceed the target.

4. *New digital barriers to access:* Digitalisation of the social grant system is necessary to enhance accessibility and efficiency. We are not opposed to it. However, we are concerned that the digitalisation of the grant system is prioritising the objective of cost-saving over that of rights-realisation. Consequently, the manner in which digital systems are being deployed in the social grant system may not always promote accessibility, and in fact create new and worrying dimensions of exclusion.

In the case of the social relief of distress (SRD) grant, some applicants can now access 'self-service kiosks' at SASSA offices in order to lodge their application—intended to address the fact that some applicants do not have access to the internet at home. Yet, to use the self-service kiosks, they still need to be able to receive a 'one-time PIN' to their mobile phone, meaning the 6.4% of households who do not own a mobile phone remain excluded. SASSA has signalled that it intends to move towards this system across the board for all social grants—whereby applications are lodged on one platform by both SASSA staff and applicants themselves. We are concerned that this will mean that all applicants need to have a verifiable personal phone number in order to apply for a grant. This is one example among many of how the digitalisation of the social grants system may threaten access for the most vulnerable. The increasing use of automated decision-making based on big data, in determining eligibility and ineligibility, is another example which erodes transparency and accountability.

Recommendation:

We submit that grant applicants and holders should always have the option to be assisted by a person, telephonically or in person, in all aspects of grant administration including application, eligibility, identity and life verification, contact detail updates, payment, and appeal. For each of these steps, there must always be options for those who lack access to devices, internet, and digital literacy to be assisted. Moreover, we submit that no decision affecting access to social assistance should ever be made by an automated system without full explainability, accountability and human oversight.

5. *Biometric identity verification:* Another condition set by National Treasury is that SASSA must conduct biometric identity verification for all grant applicants and holders. For most applicants and holders of the longer-standing social grants, SASSA collects biometric information from fingerprints at its offices. For those conducting grant administration remotely online, and for all SRD grant applicants and beneficiaries, identity verification takes place through facial recognition. Successfully undergoing this form of authentication requires a person to have a camera-enabled smartphone connected to the number originally used to apply, along with good lighting and stable connectivity. The image must be able to be cross-referenced with the Home Affairs database, which is limited to persons who have a smart ID card, and does not include green ID book holders. We are concerned about the risk of intensified or over-reliance on facial recognition as a condition for grant access, and the possibility of heightened exclusion arising from this.

Recommendation:

We submit that no grant applicant or holder, including in the case of the Covid-19 SRD grant, should be required to complete mandatory remote biometric identity verification in order to access their entitlements.

6. *The cancellation of the Postbank contract:* The government is seeking to cancel its arrangement with Postbank to disburse social grants, a move which is subject to legal dispute before the Constitutional Court. The cancellation of the Postbank contract deprives grant holders of the only public, non-commercial channel for receiving their grant payments, and forces them to transact with private intermediaries (banks and mobile providers). This exposes them to fees and liabilities which are not addressed or subsidised by the state. It also exposes them to risks including to their privacy and data security, as well as predation—for example by insurance providers through unauthorised funeral plan deductions, or by money lenders—the incidence of which appears anecdotally to have recently increased significantly. The agreements that SASSA has entered into with the major banks are not in the public domain, so grant holders are not furnished with the necessary information as to how their security and rights are protected in these arrangements. The move away from Postbank and towards private intermediaries in turn supports and facilitates SASSA's surveillance drive, since income verification methods are reliant on data provided by the major banks.

Recommendation:

We submit that grant holders must have access to a non-commercial, no-fee, publicly-governed, and accountable payment modality, and we call for the Postbank contract to be reinstated and for Postbank to be adequately resourced and capacitated to perform its critical functions.

2. Further comments on specific amendments

The issues discussed above provide the context for the present proposed amendments to the regulations pertaining to the Social Assistance Act. We submit that several of the proposed amendments are in service to the broader project of recovering funds from social assistance by reducing the quantum of social grant beneficiaries, and that these impose additional barriers that risk the erroneous exclusion of eligible beneficiaries:

1. *Amendment of regulation 13 of the regulations:* This amendment requires that a grant holder produce a valid identity document within 180 days of grant approval, and that failure to do so will result in their grant being lapsed. This is unreasonable, including due to the fact that it [routinely takes](#) the Department of Home Affairs longer than 180 days to process a late registration of birth or identity document application. This amendment risks harm particularly to the most vulnerable groups—notably orphaned and abandoned children, and children with at-risk carers due to *inter alia* HIV and mental health status, poverty, and domestic violence.

Recommendation:

We submit that the onus should be on the Department of Home Affairs and the Department of Social Development to work together to ensure that these groups are provided documentation within a reasonable period, and that the failure of these

agencies to do so must never result in the cancellation of a grant which is the only means of survival for a vulnerable person. On this basis, we oppose the amendment.

2. *Amendment of regulation 15 of the regulations:* This amendment inserts a time period of 90 days within which a grant holder is required to notify SASSA of a change in their circumstances. It is unclear (1) what nature of changes grant holders are required to inform SASSA of, and (2) what the consequences are if a grant holder fails to comply. In light of this, we are concerned that the amendment empowers SASSA to take punitive action (such as suspension, lapse, and cancellation) against grant holders if it detects through independent verification that a grant holder's circumstances have changed, and that SASSA has a broad mandate to interpret what is meant by a change in circumstances. As explained above, the automated methods used by SASSA to detect changes in grant holders' circumstances are flawed and unreliable.

Recommendation:

As such, we oppose this amendment, on the basis that it has the potential to increase SASSA's power to arbitrarily suspend and cancel grants on dubious grounds, in the context of the broader drive to rapidly reduce the quantum of social grants in payment.

3. *Amendment of regulation 30 of the regulations:* This amendment is overly broad in two respects. First, because it empowers SASSA to use "any verifiable means as determined by the Agency" to confirm that a grant holder is still alive, and second, because it empowers SASSA to use "any means of communication" to request that a grant-holder present themselves before the agency in person. As explained above, SASSA's means of verifying eligibility and identity are flawed and unreasonable. There is a significant risk that their means of verifying life will be similarly unreasonable.

Recommendation:

Any means of verifying life used by SASSA must be evidence-based, reasonable, accountable, contestable, and subject to public scrutiny. After it is determined that the proposed means have met these criteria, they should be prescribed specifically in regulations, alongside avenues for erroneous determinations to be challenged and reversed.

Moreover, it is well established that many grant holders—particularly vulnerable and elderly grant holders as well as those residing in rural areas and living with disabilities, face challenges in receiving communications from SASSA. These challenges include a lack of device ownership, internet connectivity, and literacy (in general or in the language of communication used by SASSA). In addition to this, "any means of communication" may be interpreted broadly to mean non-personal communication such as messages posted on social media accounts or even government gazettes. Thus, this amendment would imply that grant holders can face suspension or cancellation of their grants due to failure to present within 30 days on the basis of a communication they may not have the

capability to receive, which is in turn based on the results of unspecified and potentially dubious means of verification. Further to this, as discussed above, SASSA does not currently have the capacity to assist all persons who present at its offices, and moreover many vulnerable people face physical barriers to presenting at SASSA offices in person.

This amendment risks significantly heightening erroneous exclusion, and on this basis we oppose the amendment.

Conclusion

The Institute for Economic Justice welcomes the opportunity to comment on the proposed amendments to the regulations under the Social Assistance Act. Our submission has sought to place the amendments within the current juncture of social protection policy and practice. The amendments contribute to the broader policy objective, emanating from National Treasury, to reduce budget allocations to social assistance by reducing the number of persons receiving social assistance. Our submission further elucidates the specific mechanisms by which the amendments will advance this objective.

We recommend that the Minister and the Department engage with our submission and report on the outcomes of this engagement, and we make ourselves available for any further engagement necessary.



The Institute for Economic Justice (IEJ) is a progressive economic policy think tank committed to advancing economic justice, systemic change, and the equitable distribution of resources to ensure rights realisation and planetary wellbeing.

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