

Submission to the Panel of Experts

New SASSA/ SAPO card swap

Transition Monitoring

**Community Based Monitoring:
Results and Observations**

Report date: 16 July - 15 August 2018

BLACK SASH
MAKING HUMAN RIGHTS REAL

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1. INTRODUCTION

This report presents the experiences and perceptions of beneficiaries attempting to swap to the new SASSA/SAPO card and/or access their social grants during the transition process. The report covers the period from 16 July to 15 August 2018.

Data was gathered using five different research tools:

1. A survey was administered to social grant beneficiaries, tracking their journey through the SASSA / SAPO card swap transition
2. Follow-up surveys were conducted with participants from the previous two survey cycles
3. Monitor observations of the card swap process were collected
4. Queries through the Black Sash Helpline
5. Case Studies undertaken

Quantitative data generated by the survey is augmented with qualitative data generated by the monitor observations, follow-up surveys and case studies. For more information on the Background to the Report and Community Based Monitoring (CBM) methodology (see Appendix 1).

The data is also available on the Black Sash CBM platform (<https://cbm.blacksash.org.za/>).

For a full list of Black Sash community partners, areas and sites see Appendix 2.

2. CARD SWAP RESULTS¹

2.1 Scope of Monitoring

2.1.1 Nationally, 1 184 beneficiaries were interviewed and of the 18 sites, 63.4% were in urban areas (Fig.1).

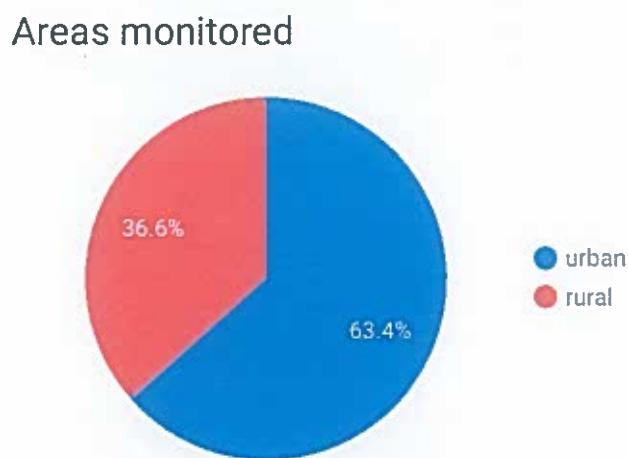


Figure 1: Card Swap - Urban / rural split of monitoring

¹See Appendix 3 for table of infographic figures

2.1.2 In figure 2 below, just under half (40.7%) of the card swap beneficiaries interviewed were older than 60 years, indicating a further decrease in this age cohort compared to the previous monitoring cycle (50.8%). There was a 9% increase in the 26 to 40 year old age bracket, indicating a continuation in the shift from the initial emphasis on processing old age grant beneficiaries (Fig 2).

Respondent's age

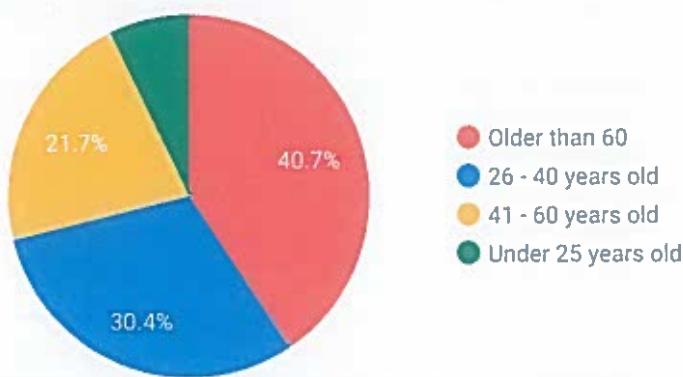


Figure 2: Card Swap - Age breakdown of beneficiaries surveyed

2.1.3 Figure 3 and 4 show that of the beneficiaries interviewed this period, 47.8% receive a State Old Age Grant. The Child Support Grant was the next highest at just over 41.8%, an increase of almost 7% from the previous month's 35.6%.

Ratio of grant types to respondents

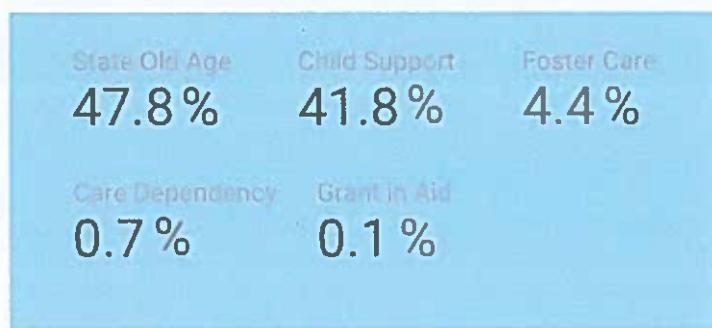


Figure 3: Card Swap - Total grants received as a proportion of interviewed beneficiaries

Grant types

Facility type	State Old ...	Child-Suppor...	Grant in aid	Care Depend...	Foster Child Grant
Community hall	42%	42%	0%	38%	52%
Other (please specify)	25%	21%	0%	13%	19%
Paypoint	18%	25%	100%	38%	19%
SAPO	15%	12%	0%	13%	10%

Figure 4: Card Swap - Grants received, disaggregated by facility type

2.1.4 Most beneficiaries (76.1%) travel up to 5km (Fig 5) and most (78.7%) perceive it as easy to get to the facility where they receive their grant (Fig 6).

How far people travel

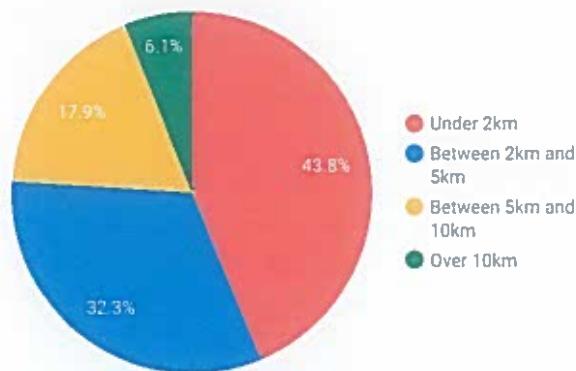


Figure 5: Card Swap - Distance to travel

How easy is it for people to get here

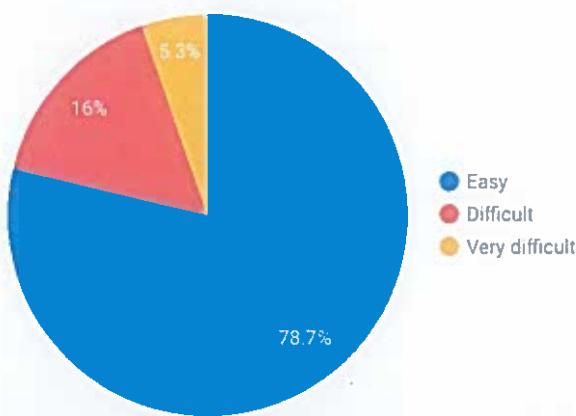


Figure 6: Card Swap - Perception of ease of accessibility

2.1.5 The majority of the respondents either paid nothing (47.6%) or between R11 - R25 (27.4%) to get to a grant payment channel. As the pay point footprint decreases, we anticipate that more people may need to pay higher travel costs and travel further to receive their grants (Fig 7).

How much people pay

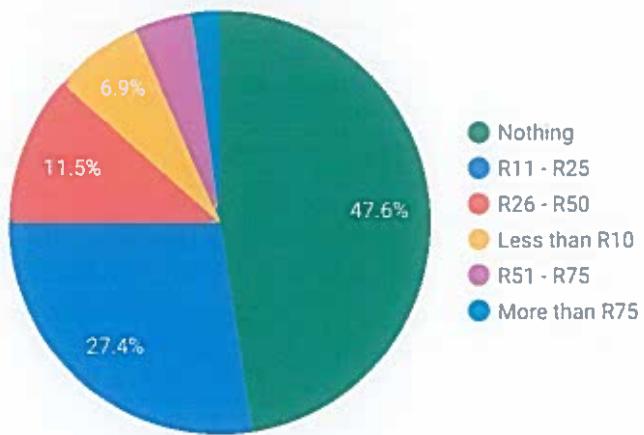


Figure 7: Card Swap - Amount paid on travel

2.2 Card Swap: Success Rate

2.2.1 Of the 18 sites monitored during the period, SASSA pay points (23.1%) and community halls (41.4%) constituted the largest slice. SAPO branches only account for 14.4% of the responses (Fig 8). The majority of responses in the 'other' category were SASSA service offices.

What facility types were monitored

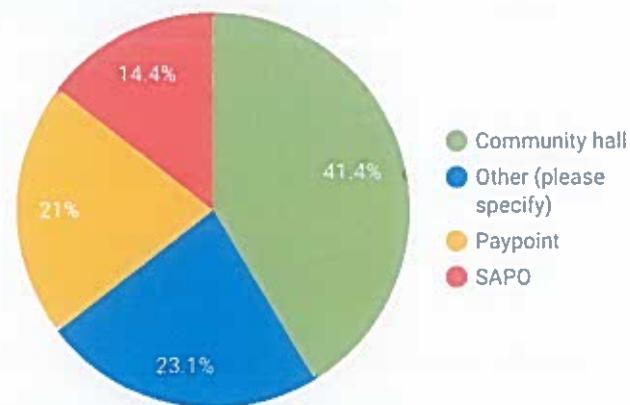


Figure 8: Card Swap - Types of facilities monitored

2.2.2 The card swap process, excluding queue time, saw a marked improvement in this cycle with most beneficiaries (54.5%) taking under 5 minutes. SAPO remains the facility type where the process is taking the longest with 6.64% (out of a total of 14.75%) taking more than 10 minutes (Fig 9).

How long did the process take? *excluding queue time



How long did the process take by facility?

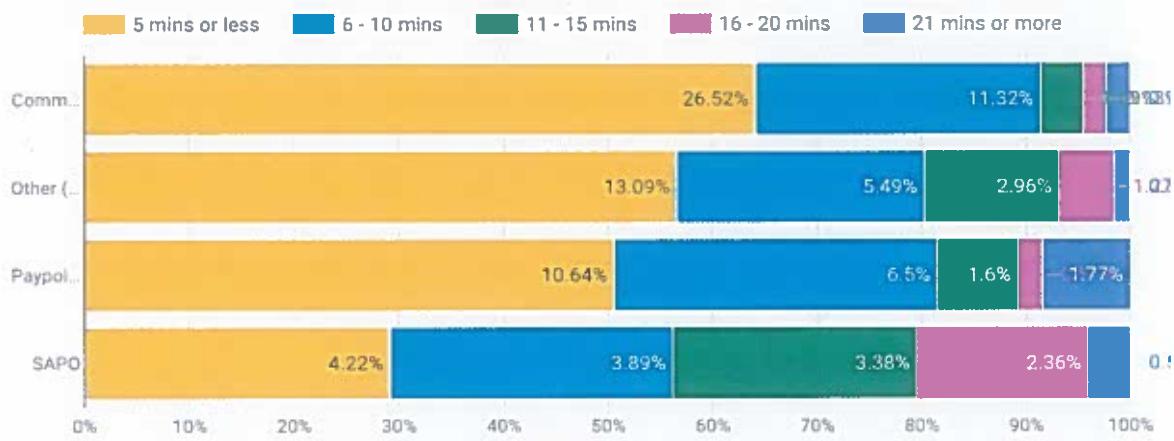


Figure 9: Card Swap - Swap process length of time - national view, disaggregated by facility type

2.2.3 In rural areas card swaps took, on average, less than 10 minutes (81.1%) to complete (Fig 10). This is an improvement of 14% on the previous survey cycle. Community centres accounted for the bulk of the facilities monitored in rural areas.

How long did the process take? *excluding queue time



How long did the process take by facility?

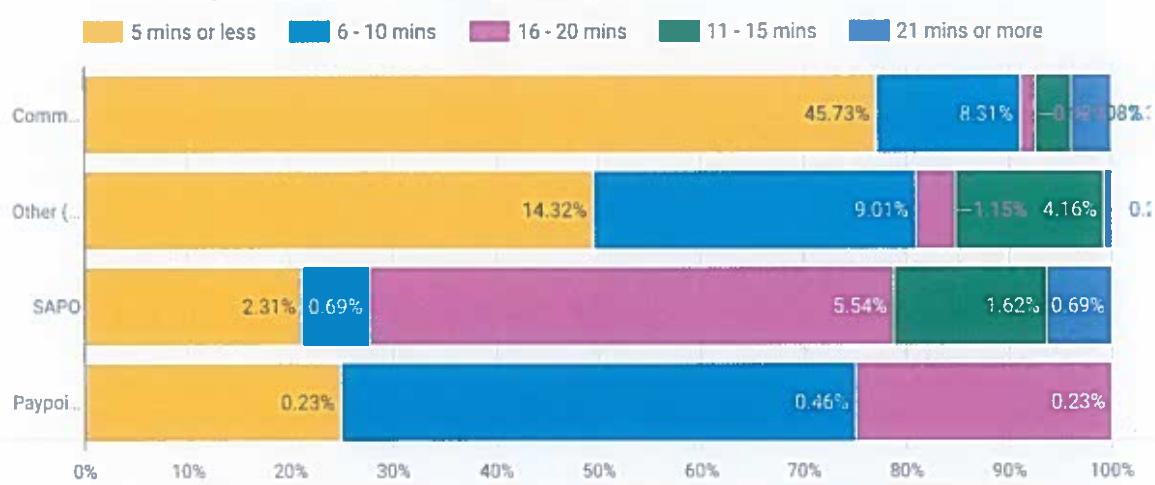


Figure 10: Card Swap - Swap process length of time - rural view, disaggregated by facility type

2.2.4 The majority (96.3%) of beneficiaries interviewed had a successful card swap (Fig 11). Of the 3.7% unsuccessful card swaps, 50% occurred at community halls for the following reasons (listed in majority order): system offline, biometric failure, card out of stock and missing documentation (Fig 12). Card stock issues at SAPO seem to show a vast improvement to previous periods.

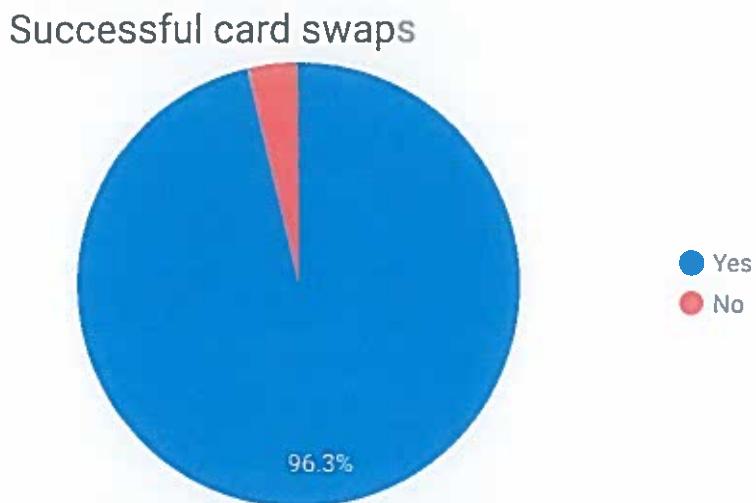


Figure 11: Card Swap - Percentage successful card swaps

Reason for unsuccessful

* Note that respondents could select more than one reason for the failure

Facility type	Offline	Biomet...	Card out of sto...	Missing d...	Other reason
Community hall	51.22%	66.67%	100%	55.56%	50%
Other (please sp...	24.39%	0%	0%	22.22%	16.67%
SAPO	12.2%	33.33%	0%	11.11%	16.67%
Paypoint	12.2%	0%	0%	11.11%	16.67%

Figure 12: Card Swap - Reasons for unsuccessful swap, disaggregated by facility type

2.2.5 In terms of state of readiness for the SASSA/SAPO card swap there were varying reports. Some indicating a marked improvement in card swap services while, others highlight continued challenges.

Text Box 1: Internet connectivity

2 August 2018: *Howick SASSA office*, monitors reported: The system was working fine early morning, but later went offline for a few hours, people had to wait, some even left. There was only one person working on card swaps and when she went for lunch, people had to wait again for her to come back as there was no relief person.

Text Box 2: Availability, activation of new SASSA/SAPO Cards/Unsuccessful Card Swaps

7 August 2018: *Elukwatin SASSA*, monitors reported: There were not enough new cards for beneficiaries. Many of them were sent back home without their cards and the network was very slow.

07 August 2018: *Villiersdorp Pay point*, Elandskloof Senior Klub monitors reported: SASSA kept sending a CSG grant recipient away because her card had expired. She was referred to Worcester, about 48 kms away, to re-apply for the grant. There were other beneficiaries in Villiersdorp who were also told that their cards had expired. They are expected to travel to Worcester at their own expense to obtain new SASSA/SAPO cards. They have no money to travel to Worcester and therefore go to the pay point month after month in the hope of receiving grant money with the expired card or to renew their cards at the pay point.

8 August 2018: *Cathcart Town Hall*, monitors reported: SASSA ran out of the new cards. People had to wait for SASSA officials to fetch cards to proceed with the card swapping.

Text Box 3: Card swap scheduling/planning and communication

5 August 2018: *Howick SASSA office*, monitors reported: The pay point called KwaMevana was double booked. SASSA officials and beneficiaries were moved to the SASSA office, the card swap only started at 10h36 because SAPO staff had to be collected from Pietermaritzburg.

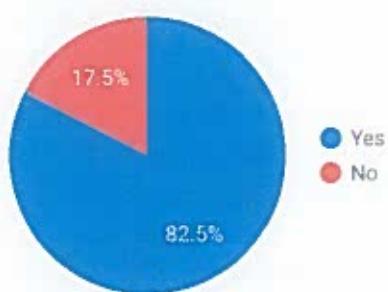
8 August 2018: *Khutsong Community Hall* monitors reported: the hall services a lot of people. It is the only facility in Khutsong, (located near Carltonville) that is doing both card swap and cash payment, and only offers card swap services when there are grant payments.

13 August 2018: *Howick Mpophomeni Hall*, monitors reported: SAPO staff only arrived at 11h00. People unhappy about the staff coming so late because they came very early, some arrived at 05h00 hoping to finish early before going to work. Only one SAPO official was in uniform and others were only wearing name tags. There were not enough chairs for people to sit down. Several calls made from SASSA to SAPO. The Ward 11 councillor had to come to explain to people and asked them to wait.

2.2.6 Ninety four percent (94.3%) of beneficiaries set up their new SASSA/SAPO card using a PIN for authorisation as reflected in Figure 13 below. 82.5% used their fingerprint for biometric authentication.

Verification / authorisation

Fingerprint verification



Pin authorisation

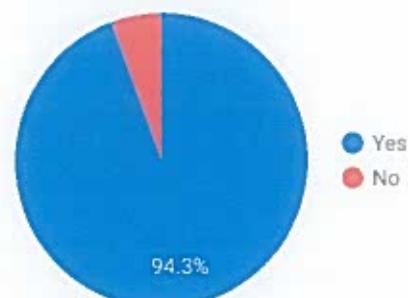


Figure 13: Card Swap - Verification and authorisation methods

Text Box 4: Problems with PIN and fingerprint biometric

1 to 3 August 2018: *Khayelitsha Site B Hall Pay point*, SACLAs monitors reported: long waiting periods to activate cards and PINS. There were also challenges with fingerprint verification and beneficiaries complained about the poor communication from SASSA and the Department of Home Affairs (DHA). People were referred to DHA for fingerprint verification, when they returned with reports from DHA they were told to go home and to return only after the payday if they did not get their money on their new cards. They told SASSA officials they had to hire transport to take them around and were now being told that they had paid for an unnecessary trip.

7 August 2018: *Elukwatinini SASSA office*, monitors reported: Beneficiaries had problems with the PIN. It was registering as incorrect despite the fact that they had accessed their grant the previous month with the same PIN.

07 August 2018: *Villiersdorp Pay point*, Elandskloof Senior Klub monitors reported: Throughout the day monitors learned how SASSA was struggling with biometric issues. By 13h00, less than 20 applications had been processed. There were 10 SASSA representatives in attendance, but there were many technological issues that prevented them from processing card swaps in an efficient manner. One applicant had been waiting with a SASSA representative for over 20 minutes. SASSA representatives told us that they could take down beneficiaries' information and then process them manually back at the SASSA office.

2.3 Card Swap: Communication and Education

2.3.1 Word of mouth has become the dominant way in which people found out about the card swap (36.8%) process in this survey cycle. The total for SASSA decreased from 41.9% to 35.1%. The media on the other hand increased from 19.3% to 27.6% (Fig 14). Word of mouth gained more ground, given the amount of conflicting and unclear information from SASSA.

How people found out

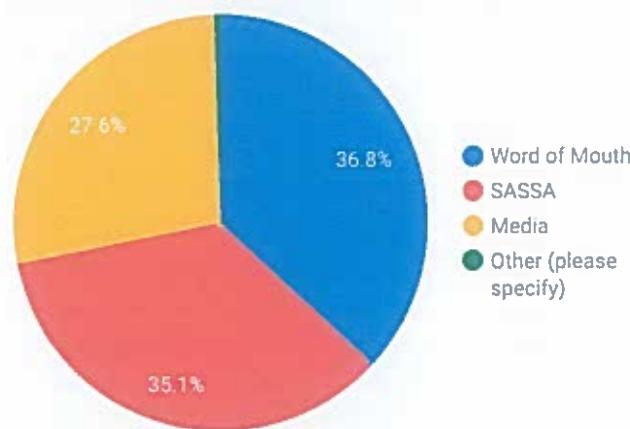


Figure 14: Card Swap - How beneficiaries found out about the card swap

2.3.2 Most beneficiaries (99.83%) knew to bring their ID documents. But only 79.98% knew they also needed to bring their old SASSA card (Fig15), this is however an almost 10% increase from the previous period. Beneficiaries visiting community halls were more likely to be informed of the other documentation required. Other documents requested included: proof of address, bank statements, affidavits and proof of grant application.

What documents people were told to bring

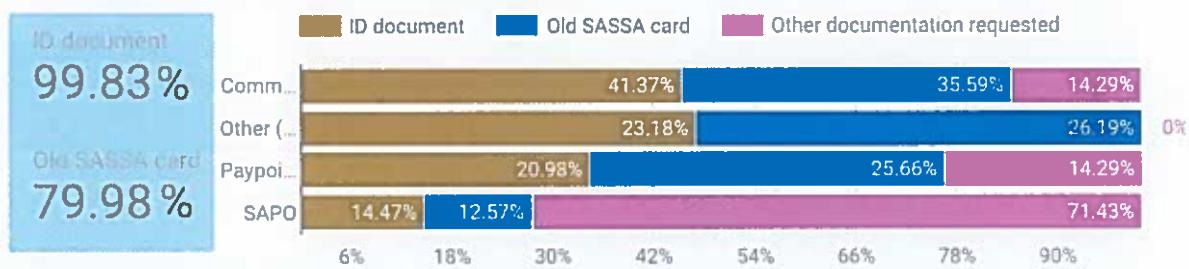


Figure 15: Card Swap - What documents beneficiaries were requested to bring

2.3.3 From a national perspective, beneficiaries were only slightly better informed of the account features and terms and conditions than previously (3%) with 60.1% being aware of the account features and 42.4% knowing the terms and conditions (Fig 16).

Documents received and explained - all respondents

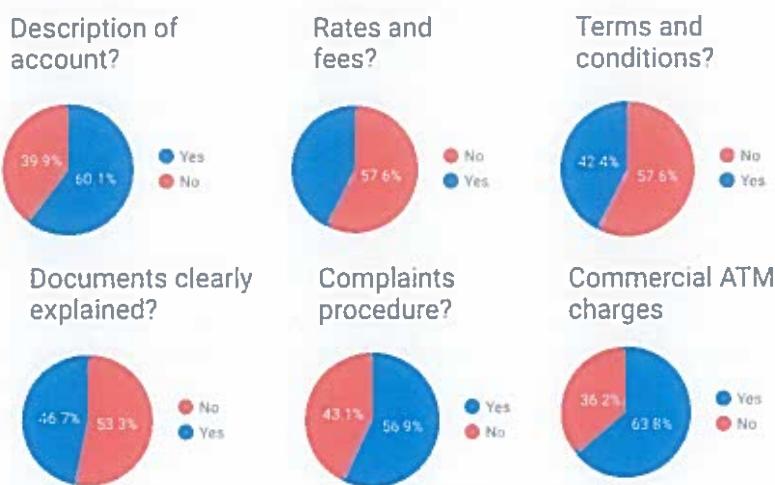


Figure 16: Card Swap - Documents provided and explained - National view

Text Box 5: Disclosure of account features and Terms and Conditions

07 August 2018: *Villiersdorp Pay point*, Elandskloof Senior Klub monitors reported: Many beneficiaries were issued with EPE Green Cards without having the financial implications of this card fully explained to them.

2.4 Receiving Grants in the new dispensation

2.4.1 36.1% of swap beneficiaries interviewed will go to a SAPO branch, with an almost even split between merchant/retailers (32.6%) and commercial ATMs (31%) sited as being where beneficiaries will go to receive their next grant pay-out. (Fig 18) Other responses received included people being unsure of where to go. In a few instances beneficiaries said they will return to the pay points. In rural areas, 54% of respondents said they would go to a SAPO branch.

Where people will receive their next payout

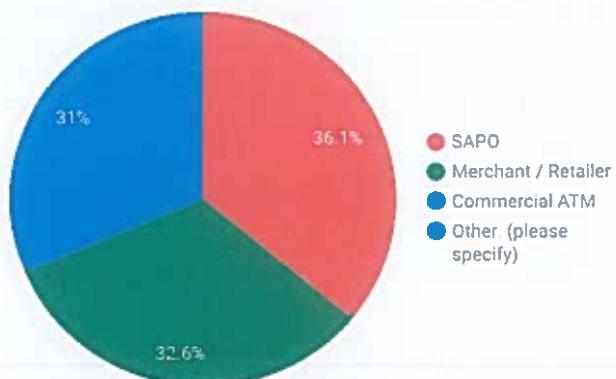


Figure 17:Card Swap - Where beneficiaries will go for their next pay-out: national

2.4.2 While the SASSA/SAPO card swap may have been successful many respondents indicated that there were new challenges to accessing the full cash value of their grants.

Text Box 6: Problems receiving the grant with the new card

Beneficiary 1: A temporary (disability grant) beneficiary who did his card swap in June 2018 did not receive his grant in June. He received his money for July which was his last pay-out. He had to re-apply. He enquired about his unpaid June money and discovered that it was paid into an unknown woman's Nedbank account. He provided all the relevant evidence, affidavits and proof that it was not his account, but still received no feedback from SASSA. The monitor referred the case to Mr. Fernando (SASSA senior ICT manager). A few days later the monitor received a call from Mr. Melzer Paulsen (another SASSA official) who confirmed that he is aware of the case and that they were busy investigating why the money was paid into the wrong account. The monitor is following this case closely.

Beneficiary 2: A CSG beneficiary residing in Delft did a card swap in June 2018 and has since not received any payments for June, July and August. The monitor contacted Mr. Fernando with this case, after trying in vain to contact Mr. Melzer Paulsen. The phone number remained unavailable and the inbox full. Mr. Fernando said beneficiary 2 is also a temporary disability grant beneficiary and has to re-apply. It transpired that this beneficiary's money has also been paid into someone else's account. Importantly though, this beneficiary is not a temporary disability grant (DG) beneficiary, but a CSG beneficiary. SASSA is investigating this case and the monitor is following up.

Beneficiary 3: Another CSG beneficiary did the card swap in June 2018, did not receive any money in June, but luckily received her money in July and August. She also wants to know what happened to her June money. The monitor is following this case.

Beneficiary 4: This CSG beneficiary did the card swap in June, received money in July, but did not receive August money. SASSA failed to explain why the money was not in her account. She was just told her to wait for the new month.

Text Box 7: Problems accessing grants from Retailers and ATM's

23 July 2018: *Limehill (Retailers and ATM's)*, monitors reported: All those that had been unable to withdraw in July were those who had swapped their cards in the middle of June (19th) and were impacted by the technical glitches in July. They attempted to withdraw their monies at either the retailers or ATMS in the area within the first 5 days of the month, but were unable to access their cash. They were eventually able to withdraw from the ATMS, subject to costs, after the 5th of July.

2.5 Decommissioning of SASSA pay points

2.5.1 Beneficiaries continue to be caught in the crossfire of the decommissioning of pay points. The communication on the closure of pay points continues to be a serious challenge. In addition to challenges regarding travel costs and logistics, especially for

pensioners and the disabled, the decommissioning of pay points is being used to exploit these vulnerabilities and coerce beneficiaries into switching to the EPE card.

Text Box 8: Impact of SASSA pay point closure on beneficiaries

1 to 3 August 2018: *Khayelitsha Site B Hall Pay point*, SACLAs monitors reported: No information was given by SASSA with regards the closing of the pay point and the card swap service.

8 August 2018: *Bella Vista Community Hall & Ceres Diens Sentrum Pay point*, WRDC monitors reported: Pay points were closed on payment date. SASSA referred beneficiaries to open EPE accounts to obtain their grants. Beneficiaries were not told why the pay points were closed, they swapped over to EPE Card so that they could access their grants.

Text Box 9: SASSA/SAPO Card swap, then to EPE card, then back to SASSA

August 2018: *Lingelihle Community Hall, KwaNomzamo pay point*, Masiphakameni Local Development Agency monitors reported: Lingelihle Community Hall in KwaNomzamo location, Humansdorp is a SASSA pay point that services grant beneficiaries from KwaNomzamo and the surrounding areas of St Francis Bay and Oyster Bay, which are approximately 15 to 18 kilometres away respectively. The broader catchment area is vast and also includes grant beneficiaries from as far afield as Jeffery's Bay, Hankey, Patensie, Loerie, Thornhill and the surrounding farms, between 30 to 40 kilometres outside of Humansdorp. This is due to these areas only having cash pay-outs once a month, so any beneficiary that misses the payment date for whatever reason travels to Humansdorp for the follow on pay point date at Lingelihle Community Hall.

The KwaNomzamo pay point is therefore the busiest pay point in Humansdorp. On pay days the payments normally start at the Arcadia pay point at 8am and are completed around 10.30am. Thereafter the payment team moves to KwaNomzamo and are busy with payouts from approximately 11am up until 5 to 6pm in the evening.

In terms of pay point norms and standards, it should be noted that in April 2018 the Lingelihle Community Hall was severely burnt during community service delivery protests and has not had electricity since, although it is still used as a SASSA pay point. The pay point also does not have enough chairs, so SASSA brings chairs each month but sometimes this is not enough when the pay point is very busy so Masiphakameni LDA also takes some of their own waiting room chairs to the hall for beneficiaries to sit on as their Advice Office is next door to the pay point. The hall does have drinkable water and working toilets.

From the first day of monitoring in June 2018, the Masiphakameni LDA monitors noticed that CPS brought a generator with them to provide electricity to make payments but they never used it, preferring instead to rather connect to electricity from a private house in Mjekula Street opposite the hall or alternatively from the pre-school and crèche next door to the hall. Occasionally when the SASSA officials need to access electricity whilst they are at the pay point they would go across the road to the Ward Councillor's office.

1 August 2018: *Lingelihle Community Hall, KwaNomzamo, Humansdorp* pay point the monitor noticed that beneficiaries with the old SASSA white card were being referred to another queue to change to EPE (green) cards. These beneficiaries informed the monitor that the CPS staff had told them that they wouldn't get their grants unless they swapped to the EPE green card. This led to an altercation between SASSA and the CPS officials because the CPS staff were forcing beneficiaries to change from the old SASSA card to the EPE green card before receiving their money. A SASSA official told CPS that they had no respect for SASSA as they came to the pay point on whatever dates they pleased and refused to accept that SASSA was in charge of the pay points. The SASSA official then took a photo of the CPS official and told him it would be sent to their national office. This same CPS official came up to the monitor and told her that they were not afraid of SASSA and SAPO because they use software that is able to block the beneficiaries money and pin and that the beneficiaries wouldn't be able to receive their grants unless they change to the EPE green card. Unfortunately, the monitor has no way of validating whether there is any truth in these claims, but was shocked that the service provider entrusted with the payment of grants would even boast about such matters.

On the same day, there were also a number of grant beneficiaries with the new SASSA/SAPO gold card whose pins and money were blocked. They had tried in vain to access their grants from SAPO, retailers and bank ATMs without success. SASSA officials had even provided cars to try to ferry beneficiaries to and from these various payment methods to no avail. Eventually it was agreed and decided that all the beneficiaries experiencing PIN and money block issues on the SASSA gold card had to come to the pay point and change to the EPE green card in order to collect their grants where after they would be changed straight back to the SASSA gold cards. It was not clear to the monitor exactly what was causing these problems, whether it was related to issues with activating the gold cards and/or the grants already being paid to the SASSA Grindrod accounts.

Outside the hall the monitor observed that some grant beneficiaries were in a queue to do the EPE card swaps at the CPS bakkie before going back inside the hall to collect their grants, and she noticed that some of the grant beneficiaries had R10 in their hands while others were trying to borrow R10 from each other. When she asked what was going on, one grant beneficiary explained that the CPS staff member in the bakkie had told them that they had to pay R10 towards the electricity before their EPE green cards could be issued. The monitor quickly ran over to the ward councillor's office to alert the SASSA officials who then accompanied the monitor back to the CPS bakkie and confronted the CPS official. He denied that he asked for money towards electricity but the grant beneficiaries present insisted that he had and repeated the same story to the SASSA officials in front of him and the monitor. The SASSA officials pointed to the generator and it was only after this that CPS staff took out the generator and started assisting beneficiaries.

CPS would not allow the monitor to observe on the second pay-out 13 August because SASSA and SAPO were not there to facilitate her access. However, the monitor was able to observe that it was a different CPS payment team that had been sent to the pay point.

2.6 Card Swap: Norms and Standards

2.6.1 The majority (50.9%) of beneficiaries queued for less than an hour, half of these queued for less than 30 minutes. 25.3% queued for between 1 and 2 hours. 23.8% queued from between 2 hours to over 6 hours (Fig 19).

How long people queued for

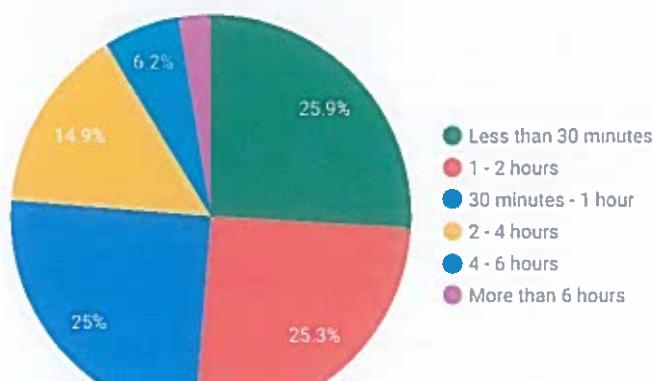


Figure 18: Card Swap - How long people queued for

Text box 10: Cases of short payments

Case 1: SAPO branch Lotus Garden, Black Sash helpline: Mr Khalo is an OPG recipient. He claimed that on 2 July he withdrew R1 500.00 as his first transaction, due to SAPO's prescribed withdrawal limit of R 1 500.00. On 4 July 2018 he went back to withdraw the remaining amount from an ATM, he should have been able to access the remaining R190.00. He did a balance enquiry at an ATM at a fee of R1.60, leaving a balance of R188.40. He withdrew R180.00 which attracted further bank charges of R4.87. In total Mr. Khalo attracted bank charges totalling R6.47 due to SAPO's prescribed withdrawal limit of R1 500.00 requiring multiple withdrawals which attracted bank charges.

In August he went to the same SAPO branch where he was paid R1 680.00 once off. He had a short payment of R10.00. This is contrary to the SAPO fee structure: 1st transaction is free at any SAPO branch. However in Mr. Khalo's case R 10.00 was held back. He was unable to access the full cash value of R 1 690.00.

Case 2: Nedbank ATM, Black Sash helpline: Ms Kekana is an OPG recipient who withdrew her social grant at a Nedbank ATM. On the 1 August 2018, when she went to get her grant, she could only access R1 500.00 and left with the balance of R 76.15 after attracting R13.85 for bank charges. She used R48.90 at a point of sale, leaving her with the balance of R27.25. A follow-up enquiry and the bank statement revealed that SAPO received a total of R1 590.00 on 29 July 2018 from SASSA / Treasury which was the grant to be paid to Rosina.

Case 3: SAPO Soweto Protea Glen branch, Black Sash helpline

Ms Mlati is an OPG recipient. She uses the local SAPO branch in Soweto, Protea Glen. On 31

July 2018 she could only withdraw R1 550.00. She then went to Pick 'n Pay to check her balance and to her surprise found that there was only R10 left in her account. SAPO's response was that the amount they received from SASSA/Treasury on the 29 July 2018 was R1 560.00 and the balance left is R10.00 (See Appendix 6).

Case 4: 2 July 2018: *Belhar Community Hall* pay point, Hope 4 Destiny monitor reported: At the cash pay point beneficiaries experienced a R10 deduction from and forfeited an additional R10 because the CPS paymaster said they did not have R10 notes.

Case 5: 01 August 2018: *SAPO Retreat branch*, Women Hope 4 the Nation monitors reported: A beneficiary did not get her money in July. She had her money paid into her bank account for August and thought that she had forfeited her July money. One of the monitors explained that it cannot be the case and is following up this case.

There are many others who have 'lost' one month's money, mostly for July. The monitor is following up these cases with affidavits and bank statements. SASSA has not given the beneficiaries clear reasons for non-payment in July.

A number of beneficiaries were short paid at the SAPO branch. One received only R1 000 instead of the full R1690 for the elderly grant. These are problems are being followed by the monitors.

2.6.2 Figure 19 shows, 9.38% of the 25.9% who queue for less than 30 minutes were at community halls. Pay points struggled with queue times overall with only 4.2% of the 25.4% queuing for less than 30 minutes.

How long people queued by facility type

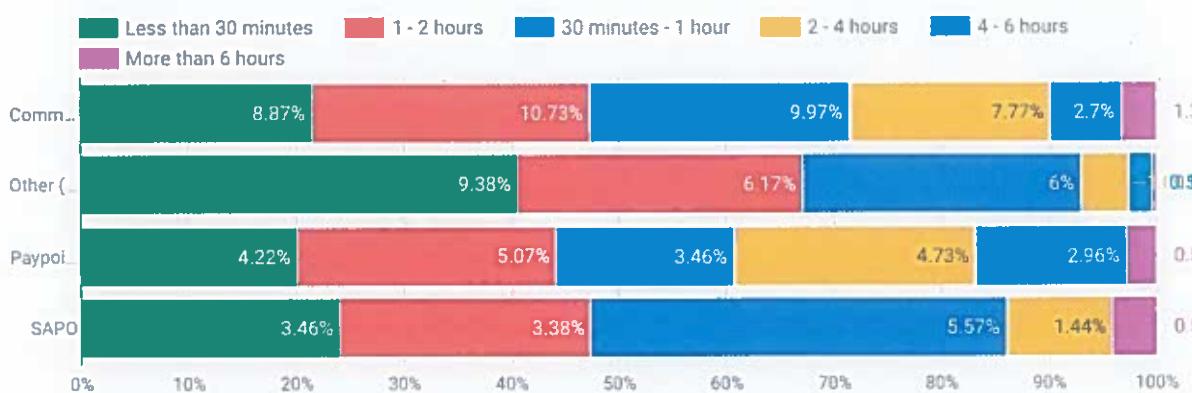


Figure 19: Card Swap - Queuing time disaggregated by facility type

2.6.3 Nationally beneficiaries report a positive experience with regards treatment by staff with only 6.9% showing a poor rating (Fig 20). However, when disaggregated by rural/urban split the data continues to indicate that beneficiaries in rural areas perceive lower levels of respect with **no ratings** for excellent service at all and 25% rating their experience as being poor.

Treated respectfully

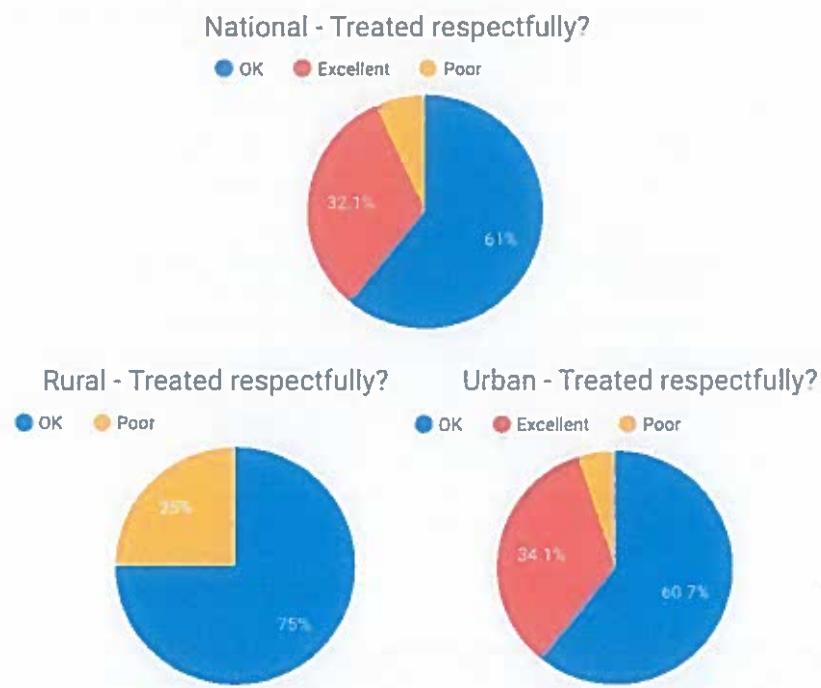


Figure 20 Card Swap - Level of respect experienced, national and urban/rural split

2.6.4 Figure 21 reflects beneficiaries' impressions and experience of the facility. (Note that adequate resources refer to adequate seating, ventilation, cups and water, access to toilets etc.) Resources remain a significant problem with many beneficiaries not having access to adequate shelter, water and toilets. The figures show a slight improvement of more than 10%, with staff performance remaining unchanged.

Other aspects

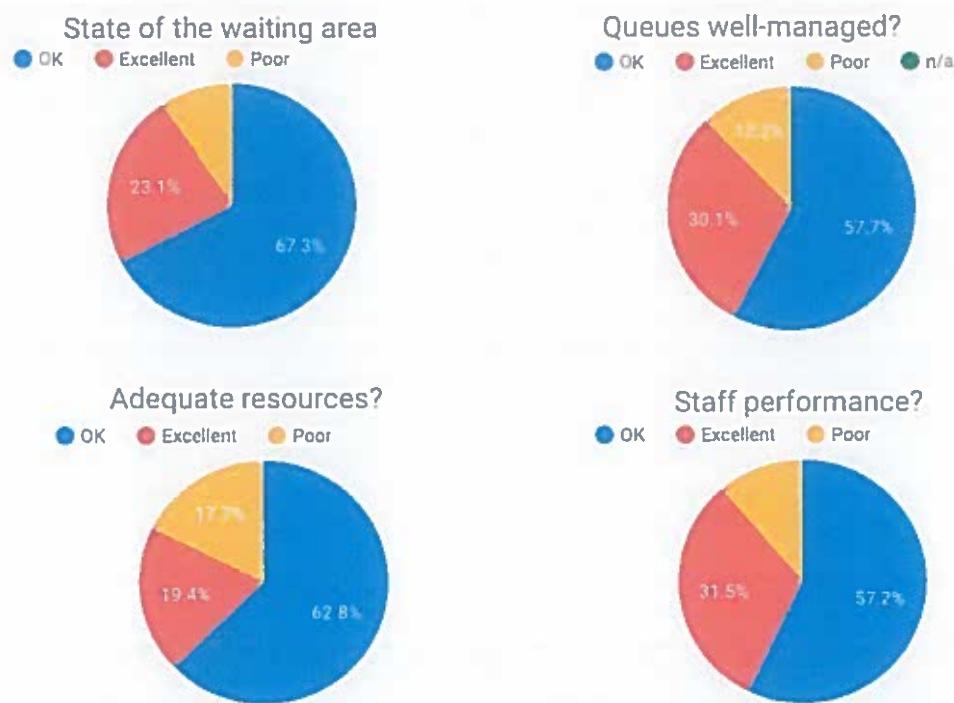


Figure 21: Card Swap - Norms and standards performance rating

Text Box 11: Improving norms and standards

31 July 2018: *Pietermaritzburg SAPO Main branch*, monitors reported:

- SAPO and SASSA staff were in uniform and were very helpful. They treated the elderly with respect, they were friendly, respectful and kind.
- The queues were managed properly, even though there were confusions here and there.
- Some people told us this is the first time that they were allowed to use the toilet facilities. The facility however only had 2 toilets to service hundreds of elderly people, an improvement from the past when they couldn't use the toilet but more toilets need to be provided in future.
- There was drinking water, but no cups.

3. RECOMMENDATIONS

Whilst there have been changes in conditions on the ground there are a number of challenges that continue to occur. Recommendations related to these problems are carried over from last month's report and additional recommendations are made and highlighted below.

- 3.1 Some improvements were measured, particularly in relation to card supply, however SASSA and SAPO should continue to give special attention, during card swap process and events to:
 - 3.1.1 No or intermittent internet connectivity
 - 3.1.2 Running out of SASSA/SAPO cards and the theft of cards
 - 3.1.3 Clear communication to beneficiaries on how the activation of the SASSA/SAPO card works
 - 3.1.4 Improving the scheduling of card swap events with a clear communication plan including clear messaging to beneficiaries.
 - 3.1.5 Long queues remain a problem resulting in beneficiaries leaving without completing card swaps; this is particularly problematic for the elderly and infirm.
- 3.2 Post SASSA/SAPO card swap difficulties are increasing and continue to impact negatively on many beneficiaries often compounding the already existing problems beneficiaries are having with regards to non-payment of grants, short payment of grants, payment into the wrong bank account or into a bank account linked to a cancelled or faulty card.
 - 3.2.1 There need to be clear steps for grant beneficiaries to follow which must be explained and provided in writing as to how these problems can be resolved.
 - 3.2.2 A physical help desk facility should be available at all card swap events and serious consideration must be given to regular help desk facilities post the decommissioning of pay points, particularly in rural areas.
 - 3.2.3 Currently the daily cash withdrawal limit on the new SASSA/SAPO varies from one SAPO branch to another. In some instances the limit is R1 500 in others R1 550/R1 600 etc...at other branches beneficiaries have been able to withdraw the full amount of their grant. These inconsistencies are confusing and cause a good deal of hardship. Such withdrawal limits do not cater for withdrawals where a beneficiary is the recipient of multiple grants or receiving back payments. This limit needs to be reviewed as a matter of urgency, and should be a realistic and uniform amount across the country.
 - 3.2.4 The continued increase in the volume of transactions that SAPO is and will be required to undertake means that there is an urgent need for SAPO to increase its footprint, capacity and competence.
 - 3.2.5 Security risks associated with the carrying of large amounts of cash, including the safety of beneficiaries and proper storage and protection of SASSA/SAPO bank cards require consistent attention.

- 3.2.6 Where beneficiaries are forced to conduct more than one withdrawal at SAPO because of unrealistic limits or other administrative, logistical or technical problems, such transactions must be free of charge.
- 3.2.7 There is an indication that there are lost payments primarily due to post mid-month card swaps which result in an entire month of unpaid grants for some and short payments in relation to the SASSA/SAPO card related to less than full grant amounts being paid, erroneous fee charges, additional transaction costs etc. Similar charges are also impacting on beneficiaries who chose to be paid through their own personal commercial banks accounts. SASSA needs to urgently establish recourse mechanisms and a back-pay plan to address this.

3.3 The Decommissioning of pay points:

- 3.3.1 Communication to beneficiaries as to which pay points have been and are planned to be decommissioned and which will remain open is severely lacking. Communication to beneficiaries needs to improve for them to make alternative arrangements where possible.
- 3.3.2 There is a serious lack of transparency in relation to the decommissioning of pay points. Communication in this regard is conflicting and confusing and is leading to uncertainty and confusion amongst beneficiaries. A singular, clear message must be developed and agreed to by all stakeholders in particular, SASSA, SAPO, DSD, ministers and officials must speak in one voice.
- 3.3.3 The closure of SASSA pay points happening too fast. There is needs to be reconsidered the rationale behind the closures and the negative impacts on beneficiaries such as access, cost and their human dignity. Perhaps SASSA must put a temporary hold on the decommissioning roll-out to take stock and re-strategize.
- 3.3.4 The closure of SASSA pay points has increased pressure on other payment channels such as post offices, retailers and ATMs. Large numbers of beneficiaries seeking alternatives has resulted in long queues without adequate shelter, seating, toilets and water as well as running out of cash.
- 3.3.5 CPS is using the threat of pay point closure as well as the payment problems related to the new SASSA/SAPO card to further exploit the vulnerabilities of beneficiaries (particularly those far from the NPS) by coercing them into taking EPE Cards, continuing to charge a R10 transaction fee at pay points and even charging beneficiaries an electricity fee to run CPS machines. A strategy to address CPS behaviour at pay points must be developed and SASSA staff on the ground empowered to rectify such matters, including reporting issues of corruption to the relevant authorities.

3.5 Information and Education:

- 3.5.1 A large majority of beneficiaries still do not know the features, fees and the terms and conditions of the SASSA/SAPO account and have not received written copies. A concerted effort must be made to keep beneficiaries informed and educated.
- 3.5.2 Word of mouth has become the primary source of useful information for grant beneficiaries. It is critical that SASSA and SAPO communicate accurate information timeously to grant beneficiaries so that they can make informed choices.

APPENDIX 1: Introduction and background to CBM

INTRODUCTION

Background

The Black Sash and its partners appreciate the complexity of managing a major system change. We do not underestimate the enormity of the transition to the SASSA/SAPO card involving approximately 8.4 million beneficiaries: 2.5 million on cash payments and 5.9 million using the SASSA card to access their grants (out of a total of 10.7m bank account holders). It requires effective strategies and procedures for on-boarding a new service provider(s) and respectful individual face-to-face consultations with millions of beneficiaries within a fixed timeframe. Most importantly, the system changes must ensure that monthly grant payments continue uninterrupted, as well as meet the Constitutional Court obligation.

Other factors taken into consideration are:

- SASSA and SAPO officials need to be rapidly trained to understand and operate the new system effectively;
- SASSA and SAPO officials are learning how to work cooperatively to ensure that grant payments continue without any interruptions during the transition until the new system stabilises;
- SASSA officials have to inform and educate millions of beneficiaries on where, when and how (documentation required) the card swap will be done;
- Beneficiaries, in order to make informed choices, need education regarding Terms and Conditions, including fee structures and benefits of the new bank account;
- The technology of the new SASSA/SAPO bank account has to integrate with the Home Affairs National Identification System (HANIS) for authentication and security purposes;
- SASSA intends to drastically reduce the number of cash pay points. Millions of beneficiaries: the elderly, disabled and those not on the National Payment System Infrastructure footprint must be engaged to mitigate adverse affected.

Community Based Monitoring Methodology

The Black Sash has been involved in Community Based Monitoring (CBM) for the past 15 years. Our CBM model recognises that communities, citizens and public service users are active holders of fundamental rights, and not merely passive users of public services. Independent CBM provides tangible feedback to government in order to improve service delivery. Good service delivery is also acknowledged. This model offers the opportunity for civil society and civil servants to work together to build a capable state.

Black Sash does this in partnership with credible community based organisations also referred to as *Community Partners* (CPs) across the country - for full list of CPs see Appendix 2. A Memorandum of Understanding is concluded with each CP, detailing the scope, deliverables and ethics. See cbm.blacksash.org.za for a detailed description of the CBM model with the different steps.

The 2018 CBM project focuses on the transition to the new SASSA/SAPO bank account also referred to as the card swap. We have modified the Black Sash CBM model slightly to capture the complexities of this task. New surveys were developed for the card swap and to monitor the pay

point footprint. In addition, CP monitors and Black staff completed compulsory site observation surveys. Both seasoned and new monitors attended capacity building workshops to learn about context changes, new surveys, the CBM model and to brush up on ethics.

The cycle of data collection has changed from annual to monthly for the remainder of 2018. The monthly cycle runs as follows:

- Data is collected during the first two weeks of the month,
- During the third and fourth week data is cleaned, analysed and shared with Black Sash regional offices and CPs to check for accuracy,
- Report production happens by the fourth week of the month,
- Final monthly reports are shared by the first week of the following month.

Black Sash obtains written permission from SASSA and SAPO to access their respective facilities for the implementation of its current CBM project.

APPENDIX 2: Community Partners, Areas and Urban/Rural Split

Partner	Province	Area / facility	Rural/Urban
Zenzeleni Community Project	KwaZulu Natal	Howick	urban
LimeHill Joint Monitoring Committee	KwaZulu Natal	Limehill	rural
Children in Distress (CINDI) Network	KwaZulu Natal	Pietermaritzburg	urban
Ziphakamise	KwaZulu Natal	Port Shepstone	urban
Albert Luthuli Human Rights Advice Centre	Mpumalanga	Elukwatinini	rural
Black Sash Gauteng Regional Office	Gauteng	Johannesburg Central	urban
Khutsong Youth Friendly Services - Gauteng	Gauteng	Khutsong	urban
Mamadi Advice Office - Limpopo	Limpopo	Taaibos	rural
Refentse Health Care Project - Gauteng	Gauteng	Themba, Hammanskraal	urban
Bojanala Legal Advice Centre – North West (Bojanala District)	North West	Phatsima	urban
Justice and Peace Diocese Gauteng – JHB Metro	Gauteng	JHB Metro: Eldorado Park, Kagiso & Soweto	urban
Interchurch Local Development Agency	Eastern Cape	Uitenhage	urban
Port St Johns Legal Advice Centre	Eastern Cape	Port St Johns	rural
SANCO Nelson Mandela Metro Branch – Eastern Cape	Eastern Cape	Nelson Mandela Bay	urban
Masiphakameni Legal Advice Centre – Humansdorp	Eastern Cape	Humansdorp	rural
SANCO Cathcart Branch – Eastern Cape	Eastern Cape	Cathcart	rural
Hope 4 Destiny	Western Cape	Delft	urban
Elandskloof Senior Club	Western Cape	Villiersdorp	rural
SACLA Health Project	Western Cape	Khayelitsha	urban
Woman Hope 4 the Nation	Western Cape	Lavender Hill	urban
Witzenberg Rural Development Centre	Western Cape	Witzenberg Municipality	rural

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APPENDIX 5: List of Acronyms and Abbreviations

ATM	Automatic Teller Machine
CBM	Community Based Monitoring
CPS	Cash Paymaster Services
CSG	Child Support Grant
DG	Disability Grant
DHA	Department of Home Affairs
DSD	Department of Social Development
EPE Card	EasyPay Everywhere Card
ID	Identity document
NPS	National Payment System
OPG	Older Persons Grant
PIN	Personal Identification Number
SACLA	SACLAHealth Project
SAPO	South African Post Office
SASSA	South African Social Security Agency
WRDC	Witzenberg Rural Development Centre

APPENDIX 6: Case Studies: Financial Transaction Statements

APPENDIX 6: CASE STUDIES: FINANCIAL TRANSACTION STATEMENTS

Customer Name : [REDACTED] Khalo

Card Number : [REDACTED]

Account Number : [REDACTED]

Account Balance : 13.53

From Date : 28/05/2018

To Date : 28/08/2018

Financial Transaction Statement							
Transaction Date	Particulars	Channel	Credit/Debit	Transaction Amount	Opening Balance	Closing Balance	Remarks
01/08/2018 10:49:42	CASH-ATM	ATM	DR	1680.0	1693.53	13.53	APPROVED OR COMPLETED
29/07/2018 15:02:02	Topup	HOST	CR	1690.0	3.53	1693.53	
04/07/2018 12:34:49	CASH-ATM SRV CHG	ATM	DR	4.87	8.4	3.53	APPROVED OR COMPLETED
04/07/2018 12:34:49	CASH-ATM	ATM	DR	180.0	188.4	8.4	APPROVED OR COMPLETED
04/07/2018 12:33:38	BAL INQ SRV CHG	ATM	DR	1.6	190.0	188.4	APPROVED OR COMPLETED
04/07/2018 12:33:38	BAL INQ	ATM	NA	0.0	190.0	190.0	APPROVED OR COMPLETED
02/07/2018 11:03:49	CASH-ATM	ATM	DR	1500.0	1690.0	190.0	APPROVED OR COMPLETED
30/06/2018 06:47:38	Topup	HOST	CR	1690.0	0.0	1690.0	

Customer Name : [REDACTED] KEKANA

Card Number : [REDACTED]

Account Number : [REDACTED]

Account Balance : 27.25

From Date : 28/05/2018

To Date : 28/08/2018

Financial Transaction Statement

Transaction Date	Particulars	Channel	Credit/Debit	Transaction Amount	Opening Balance	Closing Balance	Remarks
13/08/2018 15:24:10	POS PURCH	POS	DR	48.9	76.15	27.25	APPROVED OR COMPLETED
01/08/2018 13:27:30	CASH-ATM SRV CHG	ATM	DR	13.85	90.0	76.15	APPROVED OR COMPLETED
01/08/2018 13:27:30	CASH-ATM	ATM	DR	1500.0	1590.0	90.0	APPROVED OR COMPLETED
01/08/2018 12:27:29	BAL INQ	POS	NA	0.0	1590.0	1590.0	APPROVED OR COMPLETED
29/07/2018 14:51:38	Topup	HOST	CR	1590.0	0.0	1590.0	
02/07/2018 12:32:09	POS WT CHBCK	POS	DR	1590.0	1590.0	0.0	APPROVED OR COMPLETED
02/07/2018 12:31:24	BAL INQ	POS	NA	0.0	1590.0	1590.0	APPROVED OR COMPLETED
30/06/2018 23:40:02	TOPUP RVL JUN/ 1806301016 0913	HOST	DR	1590.0	3180.0	1590.0	
30/06/2018 23:40:02	TOPUP RVL JUN/ 1806301016 0913	HOST	DR	1590.0	4770.0	3180.0	
30/06/2018 09:05:46	Topup	HOST	CR	1590.0	3180.0	4770.0	
30/06/2018 08:49:31	Topup	HOST	CR	1590.0	1590.0	3180.0	
30/06/2018 04:42:14	Topup	HOST	CR	1590.0	0.0	1590.0	

Customer Name : [REDACTED] MLATI

Card Number : [REDACTED]

Account Number : [REDACTED]

Account Balance : 45.02

From Date : 28/05/2018

To Date : 28/08/2018

Financial Transaction Statement

Transaction Date	Particulars	Channel	Credit/Debit	Transaction Amount	Opening Balance	Closing Balance	Remarks
14/08/2018 13:09:03	CASH ADV	POS	DR	1000.0	1045.02	45.02	APPROVED OR COMPLETED
14/08/2018 13:07:09	CASH ADV	POS	DR	1000.0	2045.02	1045.02	APPROVED OR COMPLETED
14/08/2018 13:05:40	POS PURCH	POS	DR	565.74	2610.76	2045.02	APPROVED OR COMPLETED
14/08/2018 12:39:33	BAL INQ SRV CHG	ATM	DR	1.6	2612.36	2610.76	APPROVED OR COMPLETED
14/08/2018 12:39:33	BAL INQ	ATM	NA	0.0	2612.36	2612.36	APPROVED OR COMPLETED
14/08/2018 12:05:52	BAL INQ SRV CHG	ATM	DR	1.6	2613.96	2612.36	APPROVED OR COMPLETED
14/08/2018 12:05:52	BAL INQ	ATM	NA	0.0	2613.96	2613.96	APPROVED OR COMPLETED
13/08/2018 17:39:00	Topup	HOST	CR	2605.56	8.4	2613.96	
13/08/2018 15:26:41	BAL INQ SRV CHG	ATM	DR	1.6	10.0	8.4	APPROVED OR COMPLETED
13/08/2018 15:26:41	BAL INQ	ATM	NA	0.0	10.0	10.0	APPROVED OR COMPLETED
07/08/2018 11:55:42	BAL INQ	POS	NA	0.0	10.0	10.0	APPROVED OR COMPLETED

CPS FULL PAY
WEP0308.002 2018/08/01 11:30:32
NAME : T KAVINGANI
FEN ID : [REDACTED]
CLNT USN: [REDACTED] TSN : 11
OPER.USN: 2148487870 BATCH: 37
PAYPOINT: 180423223
CLIENT INED NOT IN PAYFILE
AUTH REQ: 2018/08/01 11:31:09
01.NETT SIGN: 0 [137]
PAYMENT DENIED

Funds Already Loaded

PREV. BAL. : R 3.95+
NEW BAL. : R 3.95+

Next Pay Date is :2018/09/05
2018/08/01 11:31:56
1A0F0276x.1B3425038 EXP[03.01]

CPS FULL PAY
WEP0308.002 2018/08/02 09:59:39
NAME : A MOJUNDOA
FEN ID : [REDACTED]
CLNT USN: [REDACTED] TSN : 78
OPER.USN: 2148487870 BATCH: 39
PAYPOINT: 180423223
CLIENT INED NOT IN PAYFILE
AUTH REQ: 2018/08/02 10:00:49
01.NETT SIGN: 0 [137]
PAYMENT DENIED

Funds Already Loaded

PREV. BAL. : R 6.47+
NEW BAL. : R 6.47+

Next Pay Date is :2018/09/04
2018/08/02 10:00:56
1A0F0256x.1B3424E9x EXP[03.01]

CPS FULL PAY
WEP0308.002 2018/08/01 11:34:51
NAME : T MOFOKENG
FEN ID : [REDACTED]
CLNT USN: [REDACTED] TSN : 227
OPER.USN: 2148487870 BATCH: 37
PAYPOINT: 180423223
CLIENT INED NOT IN PAYFILE
AUTH REQ: 2018/08/01 11:35:04
01.NETT SIGN: 0 [137]
PAYMENT DENIED