

An update on the new payment system

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In the previous editions we introduced the South African Post Office (SAPO) as the new service provider as well as the new SASSA card which is issued by SAPO.

This edition provides you with an update as well as providing clarity on some of the issues pertaining to the new card.

Payments of Social grants

SASSA wishes to apologize to those who were affected by the technical glitches last month and assure all beneficiaries that the challenge has been resolved, tests and plans have since been conducted to ensure that August payments run smoothly without any glitches.

Payment channels

In keeping with the times, payment of social grant has gone electronically as well. Beneficiaries have a choice to choose from receiving their social grants through their own bank accounts, or through the new gold SASSA card.

Banks

SASSA is able to transfer the payment directly to the beneficiary's own bank account, of choice. The beneficiary has to request SASSA to do this by completing the Annexure C bank form authorizing SASSA to deposit their payment into their bank account. These funds are available from the first day of every month. The beneficiary needs to note that banks charge money when you use their ATMs, and this will be deducted from the money in your card.

The SASSA card

The new SASSA card issued by SAPO is now available. The card is obtainable at SASSA offices for new applicants, as well as at paypoints and designated areas for existing beneficiaries. These venues are announced at their local communities.

The new SASSA card can be used to withdraw money from the ATM, SAPO outlets, retail shops e.g. Shoprite / Checkers / Pick 'n Pay / Boxer etc. It can also be used to pay for items purchased at the shops. If you withdraw at a selected store (Boxer, Shoprite, Checkers, Pick & Pay) then you get three free withdrawals each month. This means that the beneficiary need not to withdraw huge amounts as that poses a security risk, but can rather use the card to transact, keeping his or her funds safe.

Beneficiaries are advised to select "**Cheque Account**" when transacting at the ATM. Like any other bank card, this card too has a daily limit of R2000. Should the beneficiary wish to increase the daily limit, the beneficiary needs to make the arrangement with SAPO as the bank.

Card Swap

The card swap project is underway and now running smoothly and fast. SASSA is calling on all beneficiaries who are not receiving their grants through their own personal bank accounts to go and swap the old card for the new card without delay. Beneficiaries are currently coming in small numbers to swap their cards which means that if they delay there is a risk of long queues and clogging in the system due to high volumes if left till the last minute. We only have August and September to have this done and have currently done only about 30% of those who are eligible. We therefore urge beneficiaries to swap their cards for new ones or convert into banking if that is what they would prefer, without delay.

Beneficiaries, who have switched to the new gold SASSA card, do not have to go queue at the Post Office to access their grants. On midnight 31 July, the money will be credited into the account and beneficiaries can transact with the new cards from any of the other channels available, including merchants that allow over the till withdrawals.

If the new SASSA card was received before 22 July, one cannot use the new card at the previous SASSA pay-point but the money will automatically be paid into the new card.

Call SASSA Call Centre on 0800 60 10 11 for assistance if you experience challenges relating to the new SASSA gold card.

It should be noted that the new gold SASSA card is not an identity card, but a bank card. This means that by taking this new card, this will over-write any other information regarding social grant payments on the system. The social grant will then be paid into the new account, and must then be accessed using the new gold social grant card. If any beneficiary just needs confirmation that he/she is a social grant beneficiary, the local offices will provide a letter to this extent.

Fee structure for the card transactions

The following bundle contains all FREE transactions that will be offered to the beneficiary:

- First Cash withdrawal at SAPO branch (per month)
- First issued gold chip card;
- First replacement chip card per annum;
- Three (3) purchases at retail merchants with cash backs per month,
- Unlimited free purchases at merchants
- One (1) ATM balance enquiry per month;
- One (1) mini-statement per month;
- One (1) full statement of 3 months at SAPO branches per month;
- All PIN resets/changes at SASSA offices;
- One (1) PIN reset at SAPO branches per annum.

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The following fees will be charged directly to the beneficiary account for all transactions which exceed the above bundle:

TRANSACTION	COST (Including VAT)
POS purchases and combined purchases and cash back	Free
2nd and further replacement chip cards	R26.00 per card
Cash Back withdrawals at Retail Merchants	R1.50 per transaction
ATM balance enquiry	R1.60 per enquiry
Rejected ATM transactions	R1.60 per transaction
Rejected ATM transactions with card swallowed	R1.60 per transaction
Balance enquiry at SAPO Branch	R1.60 per enquiry
Full statement of 3 months at SAPO branches	R5.00 per statement
PIN resets/change at SAPO branches	R3.00 per reset
Subsequent cash withdrawals at SAPO branches	Formula #
All ATM cash withdrawals in the NPS	Formula #

Formula # = $R3.48 + (\text{amount withdrawn} * 0.68\%) + R0.17$ (switch fee)

Realignment of pay points

SASSA is presently in the process of rationalising its pay-points nationally and this exercise will lead to the closure of some pay-points, consolidation or even relocation of others, especially those that are located in areas that are closer to the national payments systems' infrastructure such as ATMs.

Beneficiaries in rural areas who have always collected their grants at pay points which are more than 10 kilometres from any alternative payment infrastructure, will continue to get their grants at the pay points. They must however get the new SASSA gold card.

SAPO is the Gazetted preferred social grants payment channel for SASSA. SAPO will also provide a payment service at the limited number of pay points which will remain open.

In order to ensure that SAPO is ready to do this, SAPO is currently piloting the cash payments system for these areas. It is expected that not more than 1 740 pay points will remain once the process of re-alignment will have been completed.

Affected beneficiaries will be informed directly, and information on the arrangements will also be communicated prior to payments by SAPO to ensure that they are not inconvenienced by the changes.

SASSA wants to assure all beneficiaries that this exercise would not leave anyone stranded. All beneficiaries will receive their social grants on time, as they always have.



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