

Sassa cash paypoints to be phased out by April 2024

Postbank has announced that from April 2024 social grant beneficiaries will no longer be able to withdraw their social grants at Post Offices or cash paypoints.



Source: Supplied.

The South African Social Security Agency (Sassa), which contracts Postbank to administer the payment of social grants, told Parliament in February that 142,000 people (about 0.8% of all grant recipients) still make use of cash paypoints and another 123,000 collect their money from Post Office branches.

Postbank and Sassa have prioritised the rollout of a national payment system which sees grant money paid directly into recipients' personal bank accounts or Sassa Gold/Postbank accounts. Since 2019, cash paypoints have decreased from 9,671 to 894.

Social grant beneficiaries who prefer to withdraw their money from cash paypoints or Post Office branches must now use Sassa Gold Cards or Postbank cards "at any place that accepts a bank card", Postbank said in a statement.

A lack of capacity and "escalating cash-in-transit heists" are among the reasons for the closure of physical cash paypoints. About 98% of grant recipients already receive their money via National Payment System channels, according to Postbank.

The announcement by Postbank comes in the wake of advocacy by activist organisation Black Sash, which has been

calling for grant recipients who receive their money at cash paypoints and post offices to be better accommodated.



Sassa gold cards remain valid in December and beyond

31 Oct 2023



In November, Black Sash screened a documentary, Broken Promises, showing the difficulties grant recipients face in rural areas. Recipients interviewed in the documentary spoke of high transport costs to get to their nearest ATM, retail shop, post office or pay point, and how they brave harsh weather conditions and risk getting mugged.

“The impact on grant beneficiaries will be devastating, especially those in rural areas who will now need to find alternative means to access their grants,” Evashnee Naidoo, Black Sash regional manager for KwaZulu-Natal said.

“Most are likely to open commercial bank accounts but the challenge with this is the travel costs beneficiaries will incur as many are nowhere near commercial centres. This is also compounded by payment delays and many need to travel to ATMs or retailers on multiple days.”

Postbank says “the transition will be implemented sensibly”.

“The aim is to ensure continuity in the payments for everyone, and that every person is paid their grant in the most efficient, safe, secure, reliable and convenient manner.”

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