

UBIC comment on proposed amendments to the Regulations relating to the COVID-19 Social Relief of Distress

14 April 2025

The Universal Basic Income Coalition (UBIC) is a grouping of South African civil society and labour organisations, which collectively advocate for the realisation of a comprehensive social protection floor in South Africa including by way of transitioning the COVID-19 Social Relief of Distress (SRD) grant into an adequate and universal basic income.

Late publication of the amendments and limited window to input

While we welcome the opportunity to comment, UBIC notes that meaningful public consultation on the proposed amendments to the Regulations has been limited by the late publication of the proposed amendments, which were made available only a week before the existing regulations were due to expire, with only a three week window for consideration and comment.

Beyond constraining public participation in the regulatory process, this late publication has also contributed to significant uncertainty and distress amongst beneficiaries who rely on the SRD to cover their basic food costs month to month, and who once again have been kept in the dark right up until the last minute as to the status of their entitlements in the new fiscal year. Such uncertainty prevents beneficiaries from being able to plan, causes anxiety and stress, and leaves an information vacuum which is inevitably filled by unconstructive rumour and speculation.

While the proposed amendments contain a provision that agencies may continue to provide access to entitlements based on historical data for a limited time, this does not make up for the failure to circulate proposed amendments timeously. The use of historical data to determine eligibility for entitlements in April and May undermines the core objective of providing assistance to people in immediate need, and excludes those who have entered into financial distress in April and May. The Department and SASSA must clarify: Does the proposed amendment of Regulation 6C of the Regulations imply that new applications will not be processed during April and May? If so, by failing to publish the proposed amendments in time, the Department and SASSA are not meeting their obligation to provide social assistance to those who need it.

Amendments fail to address multiple long-standing issues with the Regulations

As UBIC and our individual members have submitted at each previous amendment of the Regulations,¹ without any satisfactory response from the Department, the Regulations are flawed from a human rights perspective, and serve to unconstitutionally exclude many millions of people who are eligible for and in need of this assistance. They do this *inter alia* by: limiting grant applications to an online platform (which excludes those without devices and internet access); making the online platform available only in the English language; using an overly broad definition of insufficient means; imposing an extremely restrictive means-test; imposing flawed and inaccurate bank and database checks to verify means (bank verification is not capable of identifying "means", and government databases are not in updated in real time); and prohibiting the submission of new evidence or information on appeal.

Moreover, the grant value and means test thresholds imposed by the regulations remain static and continue to be eroded in real terms. The grant value at R370 has fallen to an equivalent of R290 in 2020 Rands. It is less than half of the current food poverty line (R796). The means test is also significantly below the food poverty line at R624. This means that a large subset of persons in *food poverty* are excluded from eligibility for this lifesaving assistance.

The Gauteng High Court found in January 2025 that the failure to adjust the means test and grant value for inflation amounts to an unlawful retrogression of constitutional rights. The Court also found that the other exclusionary provisions contained in the regulations are unlawful and invalid. Rather than taking steps to rectify these injustices, the state has chosen to appeal the order: to spend public funds to fight to retain regulations which prevent food-insecure people from accessing assistance to eat. In their application for leave to appeal, the Department and SASSA dismissed the plight of people who described their difficulties in accessing the SRD grant, stating that their testimonies that they were excluded due to digital barriers were "highly improbable", since they lived in the "affluent, sophisticated neighbourhood" of Eldorado Park.

We struggle to comprehend why, in the face of overwhelming empirical evidence and heartbreaking individual testimonies, the government agencies choose not to take action but rather to deny and dismiss vulnerable peoples' experiences.

This round of amendments to the SRD grant regulations is yet another missed opportunity to fix long-standing issues which directly frustrate the access of approximately 9 million food-insecure people to their entitlements.

Amendment of Regulation 2 of the Regulations

Very little explanation or context has been offered by the Department as to why it has proposed to delete sub-regulation 3 (b), which provides that the Department may use responses given to the application questionnaire as a basis for determining eligibility. This proposed amendment

¹ See <u>UBIC 2024</u>; <u>IEJ 2023</u>; <u>Black Sash 2024</u>

begs the question of why the application questionnaire exists. Our members have objected to aspects of the application questionnaire in the past. Black Sash objected to sub-regulation 3 (b) in the first iteration of the regulations, over concerns it did not comply with the POPI Act.

As we have submitted previously, not all the data collected via the application form is related to eligibility criteria for the SRD grant. For instance, questions like how an applicant would survive in a month if the SRD grant were not available are speculative, superfluous and *ultra vires* the current regulations. Whilst the Department and SASSA have stated that these questions are asked for "research purposes", this is inappropriate, as applicants to the SRD grant cannot be said to have provided informed consent to be research subjects. It is also unclear what the purpose of this research is. Now with this amendment, all questions posed to applicants beyond those strictly necessary to disburse payments (I.e. payment and contact information), become *ultra vires* the regulations as they cannot be used to determine eligibility for the grant. In other words, they would constitute baseless collection of sensitive and personal data.

If there is no regulatory provision empowering SASSA to collect data from applicants related to their eligibility, does SASSA intend to continue collecting the data that it currently collects on application, and if so, what does it intend to do with this data?

With the deletion of sub-regulation 3 (b), the remaining types of information that SASSA can use as a basis for determining eligibility are (1) a declaration from the applicant attesting that they have insufficient means, and (2) the results from proxy means testing methods—specifically bank and database verification.

Yet the provision that SASSA may rely on self-declarations to determine means has not been utilised in the administration of the SRD grant. Instead, bank verification and database checks are given precedence over self-declarations, and to our knowledge no applicant has been approved on the basis of a self-declaration alone.

UBIC submits that self-declarations are the fairest, most inclusive and most rights-aligned basis on which eligibility for the grant should be determined. We petition the Department and SASSA to make use of this sub-regulation, to enable people to access the grant based on their own self-reporting of need, without the use of invasive, punitive and inaccurate verification methods.

The integrity of the system can be protected by the use of random audits to deter misrepresentation. This is not unprecedented. This very approach has long been used to provide the child support grant—known to be a relatively well-targeted programme.

Amendment of Regulation 5 of the Regulations

The amendment of Regulation 5 of the Regulations is proposed to shift the end date of the Regulations from 2025 to 2026. Such an amendment has been made on an annual basis since 2022. Each time, UBIC has implored the government to put an end to the piecemeal annual extensions of the grant, to reflect in the Regulations what is widely agreed upon, has been

repeatedly been stated by the President as government's intention, and demanded by the constitution: that the SRD grant must remain in place and be progressively improved on a permanent basis or until replaced by a basic income programme that assists the same population at a higher value and coverage. This is the stated policy of the government, and we ask the Department to explain, once again, why its regulations do not conform to this policy.

We would like to request that in the course of considering submissions on the proposed amendments, the Department takes the time to respond to our comments and to provide clarification on the questions we have raised. We trust that submissions will be given due consideration and hope that the defects we have identified will be rectified in the gazetted amendments to the Regulations.

UBIC includes the following organisations:

- Alternative Information and Development Centre (AIDC)
- Basic Income Earth Network (BIEN) Africa UBI Observatory
- Black Sash
- Children's Institute, UCT
- Congress of South African Trade Unions (COSATU)
- The Family Caregiving Programme
- Global Reformed Platforms for Engagement (GRAPE)
- Institute for Economic Justice (IEJ)
- #PayTheGrants
- RightfulShare An Income Movement
- South African Federation of Trade Unions (SAFTU)
- Women on Farms Project
- Youth Lab
- The National Education, Health and Allied Workers' Union (NEHAWU) also endorses this submission