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| <b>MEDIA RELEASE</b> | PSA applauds Constitutional Court judgement ordering <i>CPS</i> to repay R81.3 million to SASSA |
| <b>DATE</b>          | 23 April 2026   |
| <b>EMBARGO</b>       | None  |
| <b>ENQUIRIES</b>     | communication@psa.co.za   |

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The Public Servants Association (PSA) welcomes the Constitutional Court judgement ordering *Cash Paymaster Services (CPS)* to repay the South African Social Security Agency (SASSA), which will return funds that were unlawfully taken from the public purse.

*CPS* was awarded a contract in 2014. The contract was deemed unlawful by the Constitutional Court, and the *CPS* made a profit exceeding R81 million. This is a serious predicament that typically falls under the umbrella of procurement irregularities. When a public entity such as SASSA is found to have bypassed mandatory protocols to award a contract, it undermines the principles of fairness, equity, and transparency that the public procurement process.

Whilst the PSA welcomes the Constitutional Court judgement for the repayment, a lack of proper vetting and screening of service providers for public entities such as SASSA remains a serious concern. The main objective of vetting and screening is to ensure that equity, transparency, competitiveness, cost-effectiveness, and fairness as the five pillars of public procurement are met, SASSA is legally required to verify several key areas before awarding any contract. The case of *CPS* is one that demands urgent forensic investigation.

SASSA's failure to conduct proper due diligence regarding *CPS* such as financial stability, technical capacity or compliance with tax laws, is dubious. In many jurisdictions, this lack of oversight renders the subsequent contract legally flawed, as confirmed by the Constitutional Court. A tender award is not just about the final signature - it is the culmination of a rigorous investigation process. If the foundation is missing, the entire legal structure of the contract collapses.

The PSA calls on the SASSA Chief Executive Officer to strengthen procurement processes and prioritise vetting mechanisms to prevent similar occurrences. The PSA further urges SASSA to employ multi-layered systems and accountable oversight to enhance current processes.

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