

UIF tightens relief payment controls

In an effort to eliminate the risk of criminals exploiting the Covid-19 Temporary Employee Relief Scheme, the Unemployment Insurance Fund (UIF) has introduced new stringent controls to verify banking details of recipients.



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This comes after the Fund was in recent weeks exposed to opportunistic elements.

Due to the introduction of the new safety and security changes, the Fund has had to delay payments.

“However, over the weekend, it resumed payments and disbursed R372-million of Covid-19 Temporary Employee Relief Scheme (TERS) benefit claims,” said the Fund in a statement on Tuesday.

The payment covered claims for April and May lodged by 15,866 employers benefitting 78,283 employees for whose banking details passed the verification process.

Further payments were done on Tuesday with some R295-million paid out from 1,824 employers benefitting 76,078 workers.

This brings the total paid to date since 16 April, to just under R30-billion (R29,726,359,618.48) covering 6,789,695 workers from 539,953 employers.

Measures introduced

As part of the new control measures, the Fund has also introduced a new rule to the system that requires applicants to insert either their enterprise number (CK/CIPC) or the ID number of the bank account holder in the TERS Online portal.

This has been introduced in order to further verify banking details against the authorised claimant.

“This requirement which may seem onerous is critical to ensure banking details are verified before any TERS payment is authorised. Failure to populate the system properly will unfortunately lead to more delays in the payment process,” said UIF Commissioner Teboho Maruping.

Fighting fraud

The Commissioner added that the Fund has been at the receiving end of fraud complaints after it emerged that certain individuals managed to change banking details of their companies and inserted their own.

“This situation has created a need for us to do an upfront account verification and validation before the payment is made, and we expect this to increase our turnaround time by two days as the accounts are verified and validated to ensure that fraud at company level is eliminated and reduced as far as possible.”

“We cannot overemphasise how important it is for companies to provide correct information that can be validated and verified with the banks so that there are no delays with the payment,” said Maruping.

The new changes come on the back of the Fund having paid up to R1-billion directly into the bank accounts of 238,086 employees since April 2020. Direct payments to employees have not been affected by the new measures.

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