



NATIONAL CONSUMER COMMISSION

REVISED ANNUAL PERFORMANCE PLAN

(2018/19 to 2020/21)

28 November 2018

1. Foreword by Minister

In terms of the Public Finance Management Act 1 of 1999 (PFMA), I have to ensure that every public entity that I am responsible for, must comply with the provisions of the PFMA and in the case of the National Consumer Commission (NCC), it must also comply with the provisions of the Consumer Protection Act 68 of 2008 (CPA). I note that the NCC's past focus on complying with the PFMA and its attempts to secure a clean audit, however, I expect a greater effort and significant improvement in this regard over the 2018/19 financial year.

One of my key focus areas insofar as the NCC is concerned, particularly in this strategic period, is to ensure that the NCC meets its policy objectives as contained in the CPA. To this end, I aim to ensure that the NCC, focusses on the following key priority areas:

- 1) Promotion of effective relations with provincial consumer protection authorities, enforcement agencies and other regulators;
 - 2) Improving consumer awareness and information and encouraging responsible and informed consumer choice and behaviour;
 - 3) Providing for a consistent, accessible and efficient system of consensual resolution of disputes arising from consumer transactions;
 - 4) Conducting research and making proposals to me in relation to the realisation and full enjoyment of consumer rights by vulnerable consumers;
 - 5) Enforcing the CPA by monitoring the consumer market to ensure that prohibited conduct and offences are prevented or detected and prosecuted;
 - 6) Promoting education and awareness on labelling across the different sectors and working in collaboration with other entities and or Departments;
- and
- 7) Publication of the work undertaken by the NCC.

I do understand that the NCC is a small entity, with limited resources. However, it is imperative that the NCC maximises delivery to consumers. I would expect that business would cooperate with the NCC in ensuring that consumers realise the benefits of the provisions of the CPA and thereby promote the proliferation of ethical business practices throughout and beyond the borders of the Republic of South Africa.

A handwritten signature in blue ink, appearing to read 'Rob Davies', is written over a horizontal dotted line.

Dr Rob Davies, MP
Minister of Trade and Industry
28 February 2018

4. Overview by the Commissioner

I am pleased to present this 3 year annual performance plan of the National Consumer Commission (“the NCC”). It sets out the key focus areas for the NCC over the financial years 2018/19 to 2020/21 and follows from the strategic plan of the NCC.

The NCC was established in terms of section 85 of the Consumer Protection Act No. 68 of 2008 (“the Act”) Act and began exercising its mandate with effect from 1 April 2011.

The NCC, has slowly, but surely begun entrenching itself as a key consumer protection regulator in South Africa, within the SADC region and on the African continent on the whole. It has begun to take up consumer issues that have a serious negative impact on a significant number of consumers. Consumer rights relative to the expiry of data coupled with the forfeiture of unused data is but one example. Another example is that which relates to the timeshare enquiry that the NCC has commenced with in the 2017/ 18 financial year. The NCC has every intention of upholding the rights of consumers in these two matters. This is a mammoth task over this strategic period for a fairly under resourced entity. The respective business sectors that the NCC are up against in these two matters are both vital and significant contributors to the South African economy with significant resources at their disposal when compared with the resources of the NCC. The NCC is, however, mindful that it is in a battle and it has braced itself for a good fight. It is also mindful, despite the expectations, of the fact that it is unable to take on much more than it can handle at any given point in time. It is difficult to predict how long its battles with certain business sectors are going to last or what it is eventually going to cost. However, the NCC remains confident that it will, apart from uncovering unethical conduct by certain business, emerge with tangible and significant benefits for South African consumers, even if the only outcome is an enhanced regulatory framework that balances the playing fields between business and consumers.

In line with the consumer policy of **the dti** the NCC has to work closely with other key stakeholders to promote the resolution of consumer complaints. Hence, one of its focus areas is its engagement with targeted industries/ sectors on the submission of industry codes and the expansion of alternate

dispute resolution schemes in South Africa. The NCC has enjoyed some success in this regard, now that the ombud schemes for the motor industry and the consumer goods and services industry have been accredited by Minister. The NCC has recommended the accreditation of another two ombud schemes in the 2016/17 year. It is envisaged that other similar schemes will be recommended for accreditation by Minister over this strategic period. However, since measuring the deliverables in relation to recommending Ombud Schemes for accreditation is not feasible, this deliverable does not appear in this plan but will be reported on internally. Apart from working closely with the provincial consumer protection authorities and other key regulators like ICASA, I am encouraged that the NCC is also involved with consumer protection at SADC level, which requires the promotion of consumer protection amongst member states.

This annual performance plan is aligned to the South African consumer policy prerogatives as espoused in the Consumer Protection Act. This has been clearly highlighted in 2015 by Minister as well as by representatives of the DPSA. Minister and the DPSA have rightly pointed out that the NCC must focus on its key legislative mandate. This necessitated the NCC revisiting its legislative mandate then. Therefore, this plan cannot reflect a major change from what was highlighted in 2015.

The strategic, annual performance and business plans remain highly ambitious in view of the NCC's resource constraints. However, despite these challenges I implore all staff members and stakeholders of the NCC to adopt this annual performance plan and play their respective roles in fulfilling it with commitment and zeal. It is of immense importance for the economy of South Africa and for consumers in particular, that little or no room is left for unscrupulous business to operate within the borders of the Republic.



Mr E Mohamed
Commissioner

Official plan sign-off

It is hereby certified that this annual performance plan:

- Was developed by the management of the National Consumer Commission under the guidance of the Commissioner, Mr. Ebrahim Mohamed.
- Was prepared in line with the current Strategic Plan of the National Consumer Commission;
- Accurately reflects the performance targets which the National Consumer Commission will endeavour to achieve given the resources made available in the budget for the 2018/19 financial year.



Mr A Van Der Merwe

Chief Financial Officer



Mr N Kuljeeth

Company Secretary



Ms T Mabuza

Deputy Commissioner

Recommended for approval by:



Commissioner

Mr Ebrahim Mohamed

Date 29/11/2018

A: Abbreviations and commonly used acronyms

CCRD	-	Consumer and Corporate Regulation Division
CGSO	-	Consumer Goods and Services Ombud
CPA	-	Consumer Protection Act No. 68 of 2008
the dti	-	Department of Trade and Industry
HR	-	Human resource/s
ICT	-	Information and communications technology
Minister	-	Minister of Trade and Industry
MOU	-	Memorandum of Understanding
MTSF	-	Medium Term Strategic Framework
MIOSA	-	Motor Industry Ombud of South Africa
NCC	-	National Consumer Commission
PFMA	-	Public Finance Management Act
SLA	-	Service Level Agreement

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PART A: STRATEGIC OVERVIEW

1. Organisational Structure

The NCC is made up of the following divisions: Corporate Services; Enforcement and Investigation; Legal Services; Advocacy, Education and Awareness; and Research, Analysis and Knowledge Management.

The accounting authority for the NCC is the Commissioner assisted by the Deputy Commissioner. Both the Commissioner and Deputy Commissioner are appointed by the Minister of Trade and Industry (Minister) and their appointments are approved by Cabinet.

The NCC has 85 funded posts as part of its approved structure.

The NCC has engaged the services of the Department of Public Service and Administration (DPSA) and its Executive Authority to assist and guide the NCC with the revision of its organizational design and matters related thereto, including the issue of job evaluations. Meaningful discussions, involving senior managers, members of staff and members of NCC Nehawu, have commenced and will be finalised in 2017/18 year. It is envisaged that no jobs will be shed at the end of the process. To the contrary, an expected outcome is that the NCC will emerge with an appropriate and aligned operational structure that adequately prioritises effective use of its limited resources.

Equity Target and Employment Equity Status

The equity and skills of the employees of the NCC as at 31 March 2017 are broken down in the following three tables.

Levels	MALE							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	0	1	0	0	1	0	0	0
Senior Management	7	6	0	1	1	0	1	1
Professional qualified	10	9	2	1	0	0	0	1
Skilled	4	3	0	0	0	0	0	0
Semi-skilled	15	16	0	2	0	1	0	2
TOTAL	36	35	2	4	2	1	1	4
FEMALE								
Top Management	1	1	0	0	0	0	0	0
Senior Management	5	5	0	1	0	0	0	1
Professional qualified	8	8	0	1	0	0	0	1
Skilled	4	3	0	0	0	0	0	0
Semi-skilled	18	13	0	2	0	0	0	2
TOTAL	36	30	0	4	0	0	0	4

Levels	DISABLED STAFF							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	1	0
Professional qualified	0	0	0	0	0	0	0	0
Skilled	0	0	0	0	0	0	0	1
Semi-skilled	1	0	0	0	0	0	0	0
TOTAL	1	0	0	0	0	0	1	1

2. Vision

In pursuance of its strategic mandate as enshrined in the CPA, the vision of the NCC is: **“To be the leading institution in consumer protection that is professional, responsive and effective.”**

3. Mission

The mission of the NCC is: **“To promote compliance with the Consumer Protection Act through advocacy and enforcement, in order to ensure fair business practice and uphold social and economic welfare of consumers”.**

4. Values

Values are common traits and attributes which guide the manner in which the organisation will relate with its stakeholders and operate. They are intended to define and shape the culture of the NCC and guide how staff members interact both internally and with all other stakeholders.

The NCC's value statements are:

- a. **Professionalism and Ethical conduct** - Promote and maintain a high standard of professional ethic
- b. **Efficiency & effectiveness** - Promote efficient, effective and economic use of resources.
- c. **Transparency** – Fostering a culture wherein the bases upon which decisions are made are consistent and transparent
- d. **Accountability** - Accepting responsibility for its own actions.
- e. **Teamwork** - Promote coherent and effective teams within the NCC

5. Strategic goals or objectives

The strategic objectives articulated below were arrived at through a careful assessment of the legislative mandate and the environment in which the NCC operates. Up-to-date information about the organisation's performance and its challenges were gathered in developing the strategic objectives. Consideration was also given to political, economic, social, environmental and technological aspects applicable to the NCC. In assessing the information gathered, the NCC was able to define the critical strategic tasks facing the NCC over the next five years.

The following are three the strategic outcomes that will be pursued by the NCC over the next three years:

- **To promote Consumer Protection and Consumer Safety;**
- **To promote reform of consumer policy and compliance with consumer protection legislation; and**
- **To promote public awareness on consumer protection.**

6. Materiality and Significance Framework

The NCC as a public entity listed in Schedule 3A must annually submit a proposed strategic plan for approval by **the dti**. Such a plan must be submitted as agreed to between **the dti** and the public entity. The strategic plan must – include the materiality/significant framework, referred to in Treasury Regulation 28.3.1

In terms of Treasury Regulation 28.3.1 and for purposes of material [section 55 (2) of the PFMA] and significant [section 54 (2) of the PFMA], the NCC must develop and agree a framework of acceptable levels of materiality and significance with **the dti**.

Whereas, the NCC agrees, in line with section 54 (2) of the PFMA, to the following:

- 1) Prior to concluding any of the following transactions, the NCC shall promptly and in writing inform the Treasury of the transaction and submit relevant particulars of the transaction to **the dti** for approval of the transaction:
 - (a) Establishment or participation in the establishment of a company;
 - (b) Participation in a significant partnership, trust, unincorporated joint venture or similar arrangement;
 - (c) Acquisition or disposal of a significant shareholding in a company;
 - (d) Acquisition or disposal of a significant asset;
 - (e) Commencement or cessation of a significant business activity; and a significant change in the nature or extent of its interest in a significant partnership, trust, unincorporated joint venture or similar arrangement.

The NCC may assume that approval has been given if it receives no response from **the dti** on a submission relating to any of the aforementioned within 45 days.

The dti has not granted any exemptions upfront to the NCC from any of the aforementioned matters.

In terms of 55 (2) of the PFMA, it is accepted that the annual report and financial statements of the NCC must—

- (a) Fairly present the state of affairs of the NCC, its business, its financial results, its performance against predetermined objectives and its financial position as at the end of the financial year concerned. The annual report and financial statements shall include particulars of—
 - (i) Any material losses through criminal conduct and any irregular expenditure and fruitless and wasteful expenditure that occurred during the financial year;
 - (ii) Any criminal or disciplinary steps taken as a consequence of such losses or irregular expenditure or fruitless and wasteful expenditure;
 - (iii) Any losses recovered or written off,
 - (iv) Any financial assistance received from the state and commitments made by the state on its behalf and
 - (v) Any other matters that may be prescribed.

Further, the NCC shall submit the annual report and financial statements report and statements for tabling in Parliament, to **the dti** through the Public Entity Oversight Unit of **the dti**.

7. Recent Court Rulings

The NCC continually reviews key decisions of the National Consumer Tribunal, High Courts and Constitutional Court. It evaluates the potential impact on its mandate and functions for consideration during planning processes.

The NCC, is in the process of appealing a decision of a high court which has ordered the National Consumer Tribunal to consider issuing a cost order against the NCC following the withdrawal of a matter by the NCC at the Tribunal. As it stands, legislation prevents such an order from being considered. If such an order were to stand, then the ability of the NCC to deal with contraventions of the Act at the Tribunal, will be severely affected. This would mean that for every matter that the NCC files with the Tribunal, it should make provision for the costs of respondents if it were to withdraw a matter or if the Tribunal were to grant judgment against the NCC. This would have the effect of rendering the NCC a toothless body as it would be unable to set aside millions of rand for costs. It must be understood that the NCC cannot pre-empt a finding in its favour. The NCC's inability to approach the Tribunal would essentially stem the development of consumer law in South Africa.

In line with its strategic plan, the NCC continuously assesses the need for and submits recommendations to Minister for the accreditation of industry codes. Once these codes are accredited, then as part of its monitoring function, the NCC will constantly analyse the decisions of accredited alternative dispute resolution (ADR) schemes with a view to determining trends and emerging concerns for both consumers and business. These schemes are a critical part of creating and expanding the dispute resolution platform for dealing with disputes between consumers and suppliers.

The Financial Sector Regulation Act, known as "Twin Peaks", which establishes a prudential regulator and a separate, dedicated market conduct regulator has recently been signed into law. It has been reported that this legislation aims to achieve a financial system that works in the interests of

consumers, and supports balanced and sustainable economic growth. Further, that the “Twin Peaks” model will see the creation of a prudential regulator, which will oversee risks taken on by financial firms such as banks and focus on macro prudential aspects of financial stability. This particular oversight role will be effected by the South African Reserve Bank (SARB). Whereas, The Financial Services Board (FSB) will become the dedicated market conduct regulator, tasked with ensuring consumers are treated fairly and financial firms’ conduct complies with law.

The act was mooted mainly in response to the 2008 global financial crisis. It makes provision for the establishment of the Financial System Council of Regulators. The objective of the Financial System Council of Regulators is to facilitate co-operation and collaboration, and, where appropriate, consistency of action, between the institutions represented on the Financial System Council of Regulators by providing a forum for senior representatives of those institutions to discuss, and in-form themselves about, matters of common interest. The Financial System Council of Regulators will be composed of the following members:

- (a) The Director-General;
- (b) the Director-General of the Department of Trade and Industry;
- (c) the Director-General of the Department of Health;
- (d) the Chief Executive Officer;
- (e) the Commissioner;
- (f) the Chief Executive Officer of the National Credit Regulator;
- (g) the Chief Executive Officer of the Council for Medical Schemes;
- (h) the Director of the Financial Intelligence Centre;

- (i) the Commissioner of the National Consumer Commission;
- (j) the Commissioner of the Competition Commission;
- (k) the Deputy Governor responsible for financial stability matters; and
- (l) the head, however described, of any organ of state or other organisation that the Minister may determine.

Since the FSB will be responsible for protecting customers of financial services firms and improving the way financial service providers conduct their business, the business practices of banks, long term and short term insurers will no longer be regulated by the Consumer Protection Act. However, it must be understood that the Consumer Protection Act is the current yardstick for the protection afforded to consumers in general, whichever sector consumers transact in. The NCC will always be supportive of regulators seeking to protect consumers provided that these regulators are enabled to provide an equivalent or better protection to consumers than that which is contained in the Consumer Protection Act. This is intrinsic to the Consumer Protection Act. The NCC looks forward to cooperating with the FSB on the protection of consumers in the financial sector.

8. Updated Situational Analysis

The elected manner of conducting a situational analysis was through a detailed SWOT (strengths, weaknesses, opportunities, threats) analysis conducted at a workshop on the 26-27 November 2015. The results are tabled below:

STRENGTHS	WEAKNESSES
<ol style="list-style-type: none"> 1. Clearly defined mandate. 2. Easy access to leadership of the NCC. 3. Learning and growing organisation – Opportunity to innovate. 4. Support of the Executive Authority and Parliament. 5. Young and vibrant workplace - that can be easily galvanised. 6. Diverse skills. 7. Genuine need for NCC services. 	<ol style="list-style-type: none"> 1. Inadequate information and communications technology (“ICT”) systems. 2. Human & Financial resource constraints. 3. Inadequate internal business processes. 4. Inadequate skills and capacity building. 5. Working in silos. 6. Low staff morale.
OPPORTUNITIES	THREATS
<ol style="list-style-type: none"> 1. Establishing a national presence. 2. Working with other agencies within consumer protection environment. 3. Influencing the status of consumer protection locally and internationally. 	<ol style="list-style-type: none"> 1. Poor working relations with other regulators. 2. Inadequate resources to fully achieve its mandate. 3. Lack of strategy to enable the NCC to work with the consumer protection groups. 4. Safety and security of enforcement staff may be compromised.

9. Performance Delivery Environment

Consumer protection is an integral part of a modern, efficient, effective and just market place. Confident consumers are one of the important drivers of competitiveness. By demanding competitive prices, improved product quality and better service, consumers provide an impetus for innovation and

enhanced performance by business. The Consumer Protection Act is a critical part of **the dti's** overall strategy to improve the competitiveness of business in South Africa.

In implementing the revised consumer protection framework, **the dti's** intention was to create an environment where a culture of consumer rights and responsibilities prevail. Such an environment is not only beneficial to consumers but to business as well. The enforcement of the Consumer Protection Act assists in regulating the conduct of suppliers of goods and or services to consumers. If left unchecked, unethical traders will merely serve to hinder the creation of a fair, competitive and equitable environment for all. Prior to the enactment of the Consumer Protection Act, South Africa lagged behind other international jurisdictions in protecting its consumers. The global and domestic trading environment has changed significantly over time. Markets have opened up and there has been a significant increase in the movement of people, goods and services across borders. The incidence of scams and unfair practices, on the other hand, has become more sophisticated.

The need to enforce the Consumer Protection Act is critical to:

- establishing a legal framework for the achievement of a fair, accessible, responsible and sustainable market;
- reducing any disadvantages experienced in accessing the supply of goods and services by low income, low literacy, rural and vulnerable consumers;
- Promoting fair business practices;
- Protecting consumers from unfair and deceptive conduct;
- Improving consumer awareness; and
- Providing for an accessible, efficient and effective system of redress;

The Consumer Protection Act applies to:

-
- Suppliers (for profit or non-profit) that promote or supply goods or services to consumers across all sectors of the economy, unless exempted;
 - Government institutions or any entity contracted by the state to provide goods or services to consumers;
 - Franchise offers, solicitations and agreements; and to
 - Any business to business transaction subject to a stipulated two million rand turnover per annum threshold.

Consumer Protection is a concurrent functional area of national and provincial legislative competence. Provincial consumer protection authorities exist in all provinces. Provincial consumer courts have jurisdiction over complaints of unfair business practices in terms of their respective legislation. A consumer court can declare a business practice unfair and in contravention of a provincial legislation and order appropriate redress to a consumer in terms of a provincial legislation which created it.

Section 146 (2) (b) of the Constitution provides that national legislation applies uniformly with regard to the country as a whole and prevails over provincial legislation if, amongst other things, the following conditions are met:

- The national legislation deals with a matter that cannot be regulated effectively by legislation enacted by the respective provinces individually;
- The national legislation deals with a matter that, to be dealt with effectively, requires uniformity across the nation, and the national legislation provides that uniformity by establishing:
 - (i) *norms and standards;*
 - (ii) *frameworks; or*
 - (iii) *national policies*
- The national legislation is necessary for the-
 - protection of the common market in respect of the mobility of goods, services, capital and labour;

- promotion of economic activities across provincial boundaries;
- promotion of equal opportunity or equal access to government services;

The Consumer Protection Act entrenches national consumer protection policy as well as norms and standards.

The NCC had changed its strategy in the 2012/13 financial year and further revised it in 2015/16 in line with its legislative mandate.

In order to expand conciliation and mediation fora for the resolution of consumer complaints, the NCC will continue approaching key industries or sectors, as the need arises, to assist in the establishment of industry/ sector ombud schemes. This approach serves to benefit consumers and business. Consumers will be able to seek accessible, free and speedy conciliation and mediation services on their consumer related disputes. These disputes will ordinarily be dealt with by persons who should be familiar with the nature of the transactions as these are endemic within the particular industry or sector. This would enable the NCC to monitor consumer disputes per industry and or sector. In monitoring the complaints dealt with by these alternate dispute resolution schemes, the NCC will be able to identify pervasive harmful business practices as well as emerging harmful trends emanating from these industries and or sectors. Interventions by the NCC can therefore be meaningful. This is vital, as the spirit of the Act did not envisage that the NCC should have internal experts to deal with the complex complaints arising out of each and every sector or industry. Ultimately, another key focus of the NCC would include the monitoring of the accredited ombud schemes.

Minister has thus far accredited the Motor Industry Ombud (MIOSA) and the Consumer Goods and Services Ombud (CGSO) as the ADR agents implementing the respective codes. All complaints related to the motor industry and to the fast moving consumer goods industries are now mainly dealt with by the MIOSA and CGSO. Complainants will refer their complaints directly to these ombuds and those complaints lodged with the NCC or

the Provincial Consumer Affairs would be referred to these ombuds as per referral protocols. The NCC and the accredited ombuds have commenced developed mechanisms and or entered into an arrangements in relation to the reporting of performance and utilization of resources.

Insofar as investigations are concerned, despite the increasing demand, the NCC is unable to investigate every consumer complaint. This is neither possible nor feasible given the resources at its disposal. Instead, the NCC will continue to focus on the investigation of mainly systemic unfair conduct, based on criteria that are in line with its enforcement strategy. Investigations will be conducted so as to promote market integrity and transparency by addressing unethical or unscrupulous conduct and promoting better disclosure of information. Apart from the enforcement criteria, investigations and or other regulatory interventions by the NCC, are also informed by research and complaints trend analysis. The NCC intends increasing its access to consumer complaints databases in order to obtain better and more reliable trends analysis. This approach is in line with international practice (of like regulators).

Consumer safety will invariably be promoted so as to ensure that consumers are supplied with reliable goods and services which are safe for consumer health and life as well as for the environment. In order to promote the supply of safe consumer goods and services, the NCC will continue working closely with, amongst other regulators, the National Regulator for Compulsory Specifications (NRCS); South African Bureau of Standards (SABS), the Department of Agriculture, Forestry and Fisheries and the health . The facilitation recalls and the monitoring of recalls of defective and or unsafe products is a critical function of the NCC. In the absence of its own product testing facilities, coupled with the lack of financial resources that are normally associated with product tests, the NCC will continue to rely on entities like NRCS and SABS. The scanning of product recalls by regulators in other jurisdictions will be factored in.

It is still evident that the vast majority of consumers do not lodge complaints. Consumers who are unaware of their rights as consumers, will not complain. The genuine need to increase awareness of consumers' rights remain. It is also evident, that whilst suppliers are aware of their obligations

in terms of the Consumer Protection Act, this is not the case for all suppliers. A greater need exists for small and medium enterprises to be made aware of their obligations. The NCC intends to continue encouraging suppliers to comply with the consumer protection legislative framework. Awareness does lead to increased compliance. To this end, awareness initiatives for both consumers and suppliers are intrinsic to the NCC's enforcement function.

Following the receipt of a qualified audit in the 2012-13 financial year, the NCC subsequently focussed on implementing compliance related processes so as to enable it to comply with the PFMA, Treasury Regulations and directives. This resulted in the NCC receiving an unqualified audit for the 2013-14; 2014-15 and 2015-16 financial years. The compliance burden on the NCC has been increasing. This impacts on all officials and on the NCC's efficacy to deal with its core mandate. The NCC has been saddled with a poor compliance history and it will endeavour to maintain and improve on its internal controls. This will be largely guided by findings made by internal and external auditors as well as the assessments performed by its Executive Authority.

10. Organisational Delivery Environment

The NCC is an organ of state and is a Schedule 3A entity in terms of the Public Finance Management Act, 1999, Act No. 1 of 1999 (PFMA). The entity is established by section 85 of the CPA.

In terms of section 87 of the CPA, the Commissioner of the NCC is responsible for all matters pertaining to the functions of the NCC and is required to hold office for an agreed term, not exceeding five years. Provision is however made for reappointment on expiry of an agreed term of office.

The NCC does not have a Board. The Commissioner is the accounting authority for the NCC, duly assisted by the Deputy Commissioner and as such, is responsible for all income and expenditure of the NCC; revenue collected by the NCC; assets and the discharge of all liabilities of the NCC; as well

as the proper and diligent implementation of the PFMA in relation to the NCC. Thus, Parliament, the Executive Authority and the Commissioner are responsible for corporate governance.

The Commissioner has, as permitted, assigned management and or other duties to employees with appropriate skills to assist the NCC in the management, or control over the functioning of the entity by way of written and approved delegations of authority. He has duly delegated, certain powers or functions to suitably qualified employees of the NCC. However such delegation does not divest the Commissioner of responsibility for the exercise of any power or performance of any duty.

The Minister has designated a Deputy Commissioner to assist the Commissioner and to perform the functions of the NCC whenever the Commissioner is unable, for any reason, to perform the functions of the Commissioner; or when the position of the Commissioner is vacant. The Minister of Trade and Industry, in consultation with the Minister of Finance, determines the Commissioner's and Deputy Commissioner's remuneration, allowances, benefits and other terms and conditions of employment.

Parliament, through the Portfolio Committee on Trade and Industry (Portfolio Committee) exercises its oversight role through evaluating the performance of the NCC by interrogating its strategic and annual performance plans, quarterly reports, annual financial statements and performance information and other relevant documents which have to be tabled in Parliament from time to time.

Oversight by the Executive Authority rests by and large on the prescripts of the PFMA. The PFMA grants authority to the Executive Authority for the exercise of its oversight powers.

The Executive Authority also enters into a Shareholders Compact with the NCC and a performance agreement with the Commissioner, both, on an annual basis. A Compliance Schedule is included as part of the Shareholders Compact indicating the deliverables and due dates of all documents as stipulated in the PFMA, Treasury Regulations and the Shareholders Compact. Compliance is reported on a quarterly and/ or annual basis, whereas management accounts are required to be submitted monthly. Reports are also provided from time to time on matters of significance.

The NCC currently has an approved structure that makes provision for 182 full-time positions. However, only 85 positions out of the 182 approved positions are funded. Given the existing fiscal status, the likelihood of receiving an increase in the budget allocation that would enable the NCC to fill all unfunded posts, is remote. In order effect its strategy and annual performance plans, a review of the NCC structure is underway. The assistance of the DPSA and that of **the dti** has been solicited. Following the review, unnecessary vacant positions will be abandoned and only key vacant positions will be filled, funds permitting. The review of the structure is not expected to result in any retrenchments. Going forward, the NCC largely intends decreasing its approved structure to coincide with funded posts.

A skills audit has been conducted at the NCC, it is apparent that a major skills shortage does exist within the entity. An appropriate skills upgrade programme is underway under the guidance of an internal Skills Development Committee.

Insofar as trade union activity is concerned, the NCC has entered into a recognition agreement with NEHAWU. As it stands, the NCC has adopted the salary scales, benefits and increments as determined by the Minister of the Department of Public Service and Administration. This does not imply that the NCC is not a Schedule 3A entity, in terms of the PFMA.

The process embarked upon by the Executive Authority, of facilitating the establishment of bargaining chambers for its entities, is at an advanced stage. NCC officials are members of the GEPF. Officials are prevented by the Government Employees Medical Scheme (GEMS) from participating in GEMS. However, the usual benefits applicable to employees as negotiated at the PSCBC in relation to employees on levels 1-12 are, wherever possible, also granted to NCC employees on these levels.

Corporate governance at the NCC embodies processes and systems by which public entities are generally directed, controlled and held to account. In addition to legislative requirements based on the CPA, corporate governance is applied through the precepts of the PFMA and run in tandem with the principles contained in the King Reports on Corporate Governance.

In line with the requirements of the PFMA, the NCC has an Audit and Risk Committee. The membership thereof is made up of independent persons. The said Committee also provides for one ex-officio member to serve thereon at the behest of the Executive Authority.

Risk management is integral to corporate governance at the NCC. A risk strategy is implemented and revised from time to time. A risk register is in place and monitored regularly and reported on at Audit and Risk Committee meetings.

Internal audit assists the Accounting Authority in maintaining efficient and effective controls by evaluating those controls to determine their effectiveness and efficiency, and by developing recommendations for enhancement or improvement. The NCC has outsourced the internal audit function. Internal audit, in consultation with and the approval of the Audit and Risk Committee, ordinarily prepares and submits –

- a) a rolling three-year strategic internal audit plan based on its assessment of key areas of risk for the institution, having regard to its current operations, those proposed in its strategic plan and its risk management strategy;
- b) an annual internal audit plan for the first year of the rolling three year strategic internal audit plan;
- c) plans indicating the proposed scope of each audit in the annual internal audit plan; and
- d) reports to the Audit and Risk Committee detailing its performance against the annual internal audit plan, to allow effective monitoring and possible intervention.

Internal Audit reports administratively to the Accounting Authority and functionally to the Audit and Risk Committee. The function is independent of activities that are audited, with no limitation on its access to information.

The NCC has approved a Fraud Prevention Plan (Plan) which is regularly canvassed with NCC officials. Thus far, no acts of fraud have been reported to have occurred over the last five years. In terms of the Plan, mechanisms are in place to report fraud and corruption. In order to promote fraud prevention, a whistleblowing policy is in place which makes provision for officials to make confidential disclosure about suspected fraud and corruption..

11. Alignment to the dti

The main objective of the dti's CCRD unit is to create a **fair regulatory environment** that enables investment, trade and enterprise development in an equitable and **socially responsible** manner and promote a professional, competitive and customer-focused working environment that ensures effective and efficient service delivery.

In line with the prescripts of the Act, the NCC contributes to the dti's growth path by freeing up / increasing funding in the SA economy for investment/productive purposes through promoting compliance with the Consumer Protection Act and thereby curtailing incidences of prohibited business practice. Moreover, enforcing the said Act consistently, certainty is created which adds to confidence amongst suppliers/business.

12. Description of the Planning Process

Since March 2014, the Commissioner and Deputy Commissioner have been assessing the NCC's core mandate and deliverables. These assessments were done on a one on one basis with heads of divisions and other key staff and canvassed at length in Management Committee and Executive Committee meetings and in special meetings convened for the purpose of assessing the deliverables contained herein.

13. Financial Plan

(i) Projections of revenue, expenditure, assets and liabilities

Financial Performance data in R'000s

<i>Details</i>	<i>2018/19</i>	<i>2019/2020</i>	<i>2020/21</i>
Transfers received	55 865	58 993	62 238
Interest received	1 788	1 888	1 991
Total revenue	57 653	60 881	64 229
Compensation of employees	44 979	47 498	50 348
Salary & wages	40 717	42 997	45 611
Social contributions (employer contributions only)	4 262	4 501	4 737
Use of goods and services	12 674	13 383	13 881
Administrative fees	1 652	1 745	2 590
Advertising	1 460	1 505	887
Assets less than R5 000	25	26	27
Audit costs	1 887	1 993	2 081
Bank charges	29	31	32
Catering: internal activities	292	308	322
Communication	977	1 032	397
Computer services	100	105	110

<i>Details</i>	<i>2018/19</i>	<i>2019/2020</i>	<i>2020/21</i>
Consultants	663	700	711
Contractors	835	880	512
Consumables / Inventory	262	277	289
Lease Payments	432	494	506
Legal fees	800	845	865
Non-life insurance	92	97	101
Printing and publication	950	1 003	1 013
Repairs and maintenance	111	117	122
Property payments	512	541	0
Research and development	360	380	800
Training and staff development	181	191	496
Travel and subsistence	642	678	1 566
Venues and facilities	412	435	454
Depreciation and amortisation			
Total expenses	57 653	60 881	64 229
Surplus / (Deficit)	-	-	

ii. Asset and Liability Management	2018/19	2019/20	2020/2021
Assets			
Current Assets			
Trade and other receivables from non- exchange transactions	20	20	200
Trade and other receivables from exchange transactions	30	30	20
Cash and cash equivalents	7 462	7 462	6 995
Current Assets	7 512	7 512	7 215
Non-Current Assets			
Property, plant & equipment	3 500	3 500	2 700
Intangible assets	1 300	1 300	900
Non-Current Assets	4 800	4 800	3 600
Total Assets	12 312	12 312	10 815
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	1 000	1 000	700
Trade and other payables from exchange transactions	1 097	1 097	819
Provisions	1 300	1 300	1 100
Total liabilities	3 397	3 100	2 619
Assets	12 312	12 312	10 815

Liabilities	(3 397)	(3 397)	(2 619)
Net assets	8 915	8 915	8 196
Accumulated surplus	8 915	8 915	8 196
iii. Cash Flow Projections	2018/19	2019/20	2020/2021
Receipts	57 653	60 881	64 229
Transfer received	55 865	58 993	62 238
Interest received	1 788	1 888	1 991
Payments	57 653	60 881	64 229
Employee costs	44 979	47 498	50 348
Operating expenditure	12 674	13 383	13 881
Cash flow from operating activities	-	-	
Cash flow from investing activities			
Purchase of property, plant & equipment	(650)	(650)	(450)
Purchase of intangible assets	(300)	(300)	(500)
Net cash flow from investing activities	(950)	(950)	(950)
Total cash & cash equivalents movement	(950)	(950)	(950)

(iv) Capital expenditure projects

- Records management system
- Computer equipment
- Furniture

(v) Infrastructure plans; and

N/A

(vi) Dividend policies

N/A

Part B: Programme Performance

14. Programme 1- To promote Consumer Protection and Consumer Safety

14.1 Purpose of the programme:

The goal is to ensure consumer protection and consumer safety through the enforcement of the provisions of the Consumer Protection Act and to facilitate an environment that enables resolution of disputes between consumers and suppliers that is expedient, cost effective, fair and transparent.

14.2 Description of the programme

The functions in relation to this objective are performed by the Legal Division and the Enforcement and Investigations Division

The purpose is to:

- (i) Facilitate an environment that enables resolution of disputes between consumers and suppliers that is expedient, cost effective, fair and transparent. .
- (ii) Conduct investigations so as to enforce the provisions of the Consumer Protection Act thereby ensuring compliance with the provisions of the Consumer Protection Act;
- (iii) Make applications in terms of the CPA to the National Consumer Tribunal
- (iv) Facilitate, conduct and monitor product recalls

14.3 Performance indicators and performance targets (Programme 1- To promote Consumer Protection and Consumer Safety)

Goal/ Outcome	Output	Performance Indicator/ measure	Audited Actual Performance			Estimated Performance 2017/18	Medium Term Targets		
			2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
Facilitate an environment that enables resolution of disputes between consumers and suppliers that is expedient, cost effective, fair and transparent.	1. Complaints processed timeously	Percentage (%) of complaints referred or issued with non-referrals in a pre-defined time period	Not part of 2014/15 target	96% (6567 out of 6794) complaints received referred or issued with non-referrals in 13 days	99% % of complaints were referred or issued with non-referrals on an average of seventeen (17) days of receipt. (7259 out of 7297	95% complaints referred or issued with non-referrals on an average of 20 days	80% complaints referred or issued with non-referrals on an average of 40 days	80% complaints referred or issued with non-referrals on an average of 40 days	80% complaints referred or issued with non-referrals on an average of 40 days
	2. Accredited Ombud Scheme/s monitored regularly	Report on accredited ombuds (MIOSA and CGSO) in line with the published codes of conduct or as agreed with the Ombud Scheme.	Not part of 2014/ 15 targets	The Motor Industry Ombud (MIOSA) has reported quarterly to the NCC since Quarter 2. The reporting is in line with the approved Code. The reports have been assessed and queries	Received and assessed quarterly reports from accredited ombuds in line with published codes of conduct or as agreed with the Ombud. Compiled quarterly assessment reports and submitted to Executive Authority as part of	Submit assessment reports (one per quarter on each accredited Ombud Scheme) and submit to Executive Authority	Submit assessment reports (one per quarter on each accredited Ombud Scheme) and submit to Executive Authority	Submit assessment reports (one per quarter on each accredited Ombud Scheme) and submit to Executive Authority	Submit assessment reports (one per quarter on each accredited Ombud Scheme) and submit to Executive Authority

Goal/ Outcome	Output	Performance Indicator/ measure	Audited Actual Performance			Estimated Performance	Medium Term Targets		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
				have been raised. The reports were included in the quarterly reports to the Executive Authority. The Consumer Goods and Services Ombud (CGSO) has commenced reporting to the NCC during the second half of the year. The reports have been assessed and queries have been raised. The reports were included in the quarterly	quarterly reports.				

Goal/ Outcome	Output	Performance Indicator/ measure	Audited Actual Performance			Estimated Performance	Medium Term Targets		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
				reports to the Executive Authority.					
Conduct investigations so as to enforce the provisions of the Consumer Protection Act thereby ensuring compliance with the provisions of the Consumer Protection Act	3. Investigations conducted and reports produced.	Number of investigations conducted and reports with recommendations produced	18 investigations finalised and approved by the Commissioner	25 investigations were concluded and reports were produced	Thirty three (33) investigations conducted. Reports with recommendations produced and approved by Commissioner	12 investigations conducted, reports with recommendations produced	12 investigations conducted, reports with recommendations produced	12 investigations conducted, reports with recommendations produced	12 investigations conducted, reports with recommendations produced
Make applications in terms of the CPA to the National Consumer Tribunal	4. Applications made to the National Consumer Tribunal for enforcement action	Percentage of matters approved for further enforcement in the National Consumer Tribunal within predetermined time period	Not part of 2014/ 15 targets	Not part of 2015/ 16 targets	Three applications made to the National Consumer Tribunal to declare certain investigated conduct as prohibited conduct. One of which was a consent order that resulted in a fine being	90% of matters approved for further enforcement action referred to the National Consumer Tribunal within 60 days of approval	90% of matters approved for further enforcement action referred to the National Consumer Tribunal within 60 days of approval	90% of matters approved for further enforcement action referred to the National Consumer Tribunal within 60 days of approval	90% of matters approved for further enforcement action referred to the National Consumer Tribunal within 60 days of approval

Goal/ Outcome	Output	Performance Indicator/ measure	Audited Actual Performance			Estimated Performance	Medium Term Targets		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
					imposed on the Respondent.				
Facilitate, conduct and monitor product recalls	5. Administer and monitor product recalls	Report on all product recalls in the line with the published Product Recall guidelines or as agreed with the supplier.	Not part of 2014/15	43 product recalls were received, registered and monitored in line with the published guidelines. produced	Produced 4 product recall reports on the administration and monitoring of the product recalls in line with published Product Recall guidelines or as agreed with the supplier.	Produce quarterly reports on the administration and monitoring of product recalls	Produce quarterly reports on the administration and monitoring of product recalls	Produce quarterly reports on the administration and monitoring of product recalls	Produce quarterly reports on the administration and monitoring of product recalls

14.4 Quarterly milestones (Programme 1- To promote Consumer Protection and Consumer Safety)

Goal/ Outcome	Output	Performance Indicator/ Measure	Baseline Info	2018/19 Annual Target	Quarterly Milestones			
					1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Facilitate an environment that enables resolution of disputes between consumers and suppliers that is expedient, cost effective, fair and transparent.	1. Complaints processed timeously	Percentage (%) of complaints processed in a pre-defined time period	95% complaints referred or issued with non-referrals on an average of 20 days	80% complaints referred or issued with non-referrals on an average of 40 days	80% complaints referred or issued with non-referrals on an average of 40 days	80% complaints referred or issued with non-referrals on an average of 40 days	80% complaints referred or issued with non-referrals on an average of 40 days	80% complaints referred or issued with non-referrals on an average of 40 days
	2. Accredited Ombud Scheme/s are monitored regularly	Report on accredited ombuds (MIOSA and CGSO) in line with the published codes of conduct or as agreed with the Ombud Scheme.	Submit assessment reports (one per quarter on each accredited Ombud Scheme) and submit to Executive Authority	Submit assessment reports (one per quarter on each accredited Ombud Scheme) and submit to Executive Authority	Compile quarterly assessment report and submit to Executive Authority	Compile quarterly assessment report and submit to Executive Authority	Compile quarterly assessment report and submit to Executive Authority	Compile quarterly assessment report and submit to Executive Authority

Goal/ Outcome	Output	Performance Indicator/ Measure	Baseline Info	2018/19 Annual Target	Quarterly Milestones			
					1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Conduct investigations so as to enforce the provisions of the Consumer Protection Act thereby ensuring compliance with the provisions of the Consumer Protection Act	3. Investigations conducted and reports produced.	Number of investigations conducted and reports with recommendations produced	12 investigations conducted, reports with recommendations produced	12 investigations conducted, reports with recommendations produced	2 investigations conducted and reports with recommendations produced	4 investigations conducted and reports with recommendations produced	4 investigations conducted and reports with recommendations produced	2 investigations conducted and reports with recommendations produced
Make applications in terms of the CPA to the National Consumer Tribunal	4. Applications made to the National Consumer Tribunal for enforcement action	Percentage of matters approved for further enforcement in the National Consumer Tribunal within predetermined time period	90% of matters approved for further enforcement action referred to the National Consumer Tribunal within 60 days of approval	90% of matters approved for further enforcement action at the National Consumer Tribunal within 60 days of approval	Take enforcement action on 90% of matters approved for further enforcement within 60 days of approval.	Take enforcement action on 90% of matters approved for further enforcement within 60 days of approval	Take enforcement action on 90% of matters approved for further enforcement within 60 days of approval	Take enforcement action on 90% of matters approved for further enforcement within 60 days of approval

Goal/ Outcome	Output	Performance Indicator/ Measure	Baseline Info	2018/19 Annual Target	Quarterly Milestones			
					1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Facilitate, conduct and monitor product recalls	5. Administer and monitor product recalls	Report on all product recalls in the line with the published Product Recall guidelines or as agreed with the supplier.	Produce quarterly reports on the administration and monitoring of product recalls	Produce quarterly reports on the administration and monitoring of product recalls	Quarterly Report produced on the administration and monitoring of product recalls.	Quarterly Report produced on the administration and monitoring of product recalls.	Quarterly Report produced on the administration and monitoring of product recalls.	Quarterly Report produced on the administration and monitoring of product recalls.

14.5 Financial Plan (Expenditure estimates for Programme 1- To promote Consumer Protection and Consumer Safety))

Consumer Safety and Protection							
Economic classification	Expenditure outcome			Adjusted Appropriation	Medium-Term Expenditure Estimate		
	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/2021
	R '000	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
Compensation of employees	8 085	16 675	17 776	18 887	19 935	21 051	22 314
Goods & services	5 259	887	1 786	1 423	1 535	2 353	2 387
Total expenditure	13 344	17 562	19 562	20 310	21 470	23 404	24 701

15. Programme 2- To promote compliance with consumer policy and reform of legislation/ business practices that are inconsistent with CPA

15.1 Purpose of the programme:

To promote compliance with consumer protection policy and the reform of consumer legislation/ business practices that are inconsistent with the CPA

15.2 Description of the programme:

The functions in relation to this objective are performed by the Legal Division.

The purpose is to:

- i) Identify legislation that affects the welfare of consumers which is inconsistent with the purposes of the CPA and develop proposals for reform of practices
- ii) Provide guidance to the public by issuing explanatory notes and/or non-binding opinions on the interpretation of provisions of the CPA
- iii) Make application for declaratory order on the interpretation or application of any provision of the CPA

15.3 Performance indicators and performance targets (Programme 2- To promote reform of consumer policy and compliance with consumer protection legislation)

Goal/ Outcome	Output	Performance Indicator/ measure	Audited Actual Performance			Estimated Performance	Medium Term Targets		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Identify legislation that affects the welfare of consumers which is inconsistent with the purposes of the CPA and develop proposals for reform of practices	6. Develop and submit proposals for reform of practices inconsistent with the CPA	Number of legislation identified affecting the welfare of consumers which are inconsistent with the purposes of the CPA, develop proposals for reform of practices and reports produced.	Not part of 2014/ 15 targets	Not part of 2015/ 16 targets	Acts/ Practices that affects the welfare of consumers identified which are inconsistent with the purposes of the CPA and proposals developed for reform of practices. Report submitted to Minister.	Identify two Acts that affect the welfare of consumers which are inconsistent with the purposes of the CPA and develop proposals for reform of practices and report produced.	Identify two Acts that affect the welfare of consumers which are inconsistent with the purposes of the CPA and develop proposals for reform of practices and reports produced.	Identify two Acts that affect the welfare of consumers which are inconsistent with the purposes of the CPA and develop proposals for reform of practices and reports produced.	Identify two Acts that affect the welfare of consumers which are inconsistent with the purposes of the CPA and develop proposals for reform of practices and reports produced.
Provide guidance to the public by issuing explanatory notes and/or non-binding opinions on the interpretation of provisions of the CPA	7. Issue explanatory notes and /or non-binding opinions on the interpretation of provisions of the CPA	Percentage (%) of requests for explanatory notes and /or non-binding opinions on the interpretation of provisions of the CPA provided within a pre-defined time period	Not part of 2014/ 15 targets	100% requests for advice responded to on an average of 10 days.	100 % of registered requests for explanatory notes and /or non-binding opinions provided well within an average of 20 days.	90 % of registered requests for explanatory notes and /or non-binding opinions provided within an average of 10 days	90 % of registered requests for explanatory notes and /or non-binding opinions provided within an average of 10 days	90 % of registered requests for explanatory notes and /or non-binding opinions provided within an average of 10 days	90 % of registered requests for explanatory notes and /or non-binding opinions provided within an average of 10 days

Goal/ Outcome	Output	Performance Indicator/ measure	Audited Actual Performance			Estimated Performance	Medium Term Targets		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Make application for declaratory order on the interpretation or application of any provision of the CPA	8. Apply for declaratory orders on the interpretation or application of any provision of the CPA.	Apply for declaratory orders on the interpretation or application of any provision of the CPA.	Not part of 2014/ 15 targets	Not part of 2015/ 16 targets	Made two applications for declaratory orders: I) on the interpretation or application of a provision of the CPA relating to pyramid scheme operated by MMM. Pleadings exchanged and finalised. Matter set down for hearing on the 26th of May 2017. II) On the use of section 138 forms for section 74 applications in the National Consumer Tribunal in terms of the	Make one application for a declaratory order on the interpretation or application of a provision of the CPA.	Make one application for a declaratory order on the interpretation or application of a provision of the CPA.	Make one application for a declaratory order on the interpretation or application of a provision of the CPA.	Make one application for a declaratory order on the interpretation or application of a provision of the CPA

Goal/ Outcome	Output	Performance Indicator/ measure	Audited Actual Performance			Estimated Performance 2017/18	Medium Term Targets		
			2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
					National Credit Act.				

15.4 Quarterly Milestones- Programme 2- (To promote reform of consumer policy and compliance with consumer protection legislation)

Goal/ Outcome	Output	Performance Indicator/ Measure	Baseline Info	2018/19 Annual Target	Quarterly Milestones			
					1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Identify legislation that affects the welfare of consumers which is inconsistent with the purposes of the CPA and develop proposals for reform of practices	6. Develop and submit proposals for reform of practices inconsistent with the CPA	Number of legislation identified affecting the welfare of consumers which are inconsistent with the purposes of the CPA, develop proposals for reform of practices and reports produced.	Identify two Acts that affect the welfare of consumers which are inconsistent with the purposes of the CPA and develop proposals for reform of practices and report produced.	Identify two Acts that affect the welfare of consumers which are inconsistent with the purposes of the CPA and develop proposals for reform of practices and reports produced.	Identify two Acts that affects the welfare of consumers which are inconsistent with the purposes of the CPA	Assess and analyse Legislation and produce 2 reports	Develop proposals for reform of practices. Draft two Reports	Finalise reports and submit to Commissioner for approval.

Goal/ Outcome	Output	Performance Indicator/ Measure	Baseline Info	2018/19 Annual Target	Quarterly Milestones			
					1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Provide guidance to the public by issuing explanatory notes and/or non-binding opinions on the interpretation of provisions of the CPA	7. Issue explanatory notes and /or non-binding opinions on the interpretation of provisions of the CPA	Percentage (%) of requests for explanatory notes and /or non-binding opinions on the interpretation of provisions of the CPA provided within a pre-defined time period	90 % of registered requests for explanatory notes and /or non-binding opinions provided within an average of 10 days	90 % of registered requests for explanatory notes and /or non-binding opinions provided within an average of 10 days	90 % of registered requests for explanatory notes and /or non-binding opinions provided within an average of 10 days	90 % of registered requests for explanatory notes and /or non-binding opinions provided within an average of 10 days	90 % of registered requests for explanatory notes and /or non-binding opinions provided within an average of 10 days	90 % of registered requests for explanatory notes and /or non-binding opinions provided within an average of 10 days
Make application for declaratory order on the interpretation or application of any provision of the CPA	8. Apply for declaratory orders on the interpretation or application of any provision of the CPA.	Apply for declaratory orders on the interpretation or application of any provision of the CPA.	Make one application for a declaratory order on the interpretation or application of a provision of the CPA.	Make one application for a declaratory order on the interpretation or application of a provision of the CPA.	Identify subject of declaratory order	Prepare application for declaratory order	File application for declaratory order	Publish order if order secured

**15.5 Financial Plan (Expenditure estimates for Programme 2- To promote compliance with consumer policy and reform of legislation/
 business practices that are inconsistent with CPA)**

Compliance with consumer policy and reform of legislation/ business practices							
Economic classification	Expenditure outcome			Adjusted Appropriation	Medium-Term Expenditure Estimate		
	2014/15	2015/16	2016/17		2017/18	2018/19	2019/20
	R '000	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
Compensation of employees							
Goods & services			1 455	1 345	1 232	1 301	1 320
Total expenditure			1 455	1 345	1 232	1 301	1 320

16. Programme 3 - To promote public awareness on consumer protection

16.1 Purpose of the programme:

To increase knowledge on the nature and dynamics of the consumer market and promote public awareness on consumer protection matters by implementing education and information measures to develop public awareness of the provisions of the CPA

16.2 Description of the programme:

The functions in relation to this objective are performed by the Advocacy, Education and Awareness Divisions. The purpose is to conduct targeted consumer awareness initiatives as well as business compliance initiatives aimed at facilitating a better understanding of the CPA;

16.3 Performance indicators and performance targets- (Programme 3- To promote public awareness on consumer protection matters)

Goal/ Outcome	Output	Performance Indicator/ measure	Audited Actual Performance			Estimated Performance	Medium Term Targets		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Conduct targeted consumer awareness initiatives as well as business compliance initiatives aimed at facilitating a	9. Consumer awareness initiatives conducted	Number of consumer awareness initiatives conducted	Thirteen (13) workshops held in the year	25 Consumer Workshops were held in the year	10 Consumer awareness workshops were conducted.	24 consumer awareness workshops conducted	24 consumer initiatives conducted	24 consumer awareness initiatives conducted	24 consumer awareness initiatives conducted
	10. Business compliance initiatives conducted.	Number of business compliance initiatives conducted.	Not part of 2014/15 target	15 Business Workshops were held in the year	15 Business compliance workshops were conducted.	12 business compliance workshops conducted.	12 business compliance initiatives conducted.	12 business compliance initiatives conducted.	12 business compliance initiatives conducted

Goal/ Outcome	Output	Performance Indicator/ measure	Audited Actual Performance			Estimated Performance	Medium Term Targets		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
better understanding of the CPA;	11. Publish and distribute educational material to consumers	Number of newsletters published and distributed to consumers in predetermined frequencies	Not part of 2014/15 target	1 external newsletter was approved published and distributed in time. The other was approved but printing thereof was delayed.	3 External Newsletters were developed and approved by Commissioner for publication.	4 External Newsletters published and distributed to stakeholders	4 External Newsletters published and distributed to stakeholders	4 External Newsletters published and distributed to stakeholders.	4 External Newsletters published and distributed to stakeholders.

16.4 **Quarterly Milestones - (Programme 3- To promote public awareness on consumer protection matters)**

Goal/ Outcome	Output	Performance Indicator/ Measure	Baseline Info	2018/19 Annual Target	Quarterly Milestones			
					1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Conduct targeted consumer awareness initiatives as well as business compliance initiatives aimed at	9. Consumer awareness initiatives conducted	Number of consumer awareness initiatives conducted	24 consumer awareness workshops conducted	24 consumer initiatives conducted	5 initiatives conducted	7 initiatives conducted	7 initiatives conducted	5 initiatives conducted
	10. Business compliance initiatives conducted	Number of business compliance initiatives conducted	12 business compliance initiatives conducted.	12 business compliance initiatives conducted.	2 initiatives conducted	5 initiatives conducted	2 initiatives conducted	3 initiatives conducted

Goal/ Outcome	Output	Performance Indicator/ Measure	Baseline Info	2018/19 Annual Target	Quarterly Milestones			
					1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
facilitating a better understanding of the CPA	11. Publish and distribute educational material to consumers	Number of newsletters published and distributed to consumers in predetermined frequencies	4 External Newsletters published and distributed to stakeholders	4 External Newsletters published and distributed to stakeholders.	1 External newsletter developed, and approved by Commissioner for publication and distribution to consumers	1 External newsletter developed, and approved by Commissioner for publication and distribution to consumers	1 External newsletter developed, and approved by Commissioner for publication and distribution to consumers	1 External newsletter developed, and approved by Commissioner for publication and distribution to consumers

16.5 Financial Plan (Expenditure estimates for (Programme 3- To promote public awareness on consumer protection matters))

Advocacy and empowerment of participants in the consumer market							
Economic classification	Expenditure outcome			Adjusted Appropriation	Medium-Term Expenditure Estimate		
	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
Compensation of employees	3 233	5 776	6 494	6 598	6 963	7 353	7 794
Goods & services	2 105	4 829	1 506	1 219	1 452	801	812
Total expenditure	5 338	10 605	8 000	7 817	8 415	8 154	8 606

16.6 Administration Financial Plan (Expenditure estimates for Administration)

The NCC does not have a core deliverable relating to Administration. However, the NCC does incur expenditure in relation to administration, including costs applicable to support services/ functions and remuneration relating to support staff. The difference between the income received and the cost estimates outlined for programmes 1, 2 and 3 is administration related costs. These costs are stated as follows:

Administration							
Economic classification	Expenditure outcome			Adjusted Appropriation	Medium-Term Expenditure Estimate		
	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
Compensation of employees	21 525	14 129	16 453	17 132	18 081	19 093	20 240
Goods & services	11 718	14 966	17 436	7 705	8 455	8 929	9 362
Total expenditure	33 243	29 095	33 889	24 837	26 536	28 022	29 602

Part C: Links to other plans

1. Asset Management Plan

The NCC does not have a formal Asset Management Plan, however it is managing its assets according to the Supply Chain Management directives and best practice guidelines issued by National Treasury. Assets are managed as follows::

- Asset verifications are being performed at least once per year, inclusive of all furniture, computer equipment and other equipment.
- The asset register on the financial system is reconciled with the outcome of the asset verification, and updated according to new purchases and disposals.
- The value of assets is accounted for according to Generally Recognized Accounting Practices (GRAP), inclusive of the provision for depreciation.
- For all assets, managers are assigned with the responsibility of safeguarding the assets and to perform quarterly asset counts.
- Asset movements are tracked by means of asset movement reports which are used to update the asset register on the financial system.

The procurement of a records management system, furniture and computer equipment are planned for the medium term, whereas certain redundant and damaged furniture and computer equipment will be replaced.

2. Information Technology Plan

The NCC has compiled an Information and Communication strategy, which provides for the following deliverables:

- An ICT plan, inclusive of an IT Governance framework
- A Disaster recovery plan
- Development and/or review of all ICT related policies
- Change management procedures
- User account and ICT security procedures
- Information back-up and retention procedures

During the medium term, the following IT related projects will be executed:

- The refinement of the customer call centre to enhance complaints recording and handling
- The implementation of automated process flows for the accounting system
- Enhancing the electronic and automated payment functionality of the accounting and payroll systems
- Enhancing the webpage of the NCC in terms of its format, lay-out and contents
- Integration and configuration of the communication systems of the NCC, being internet services, electronic mail services and telephony.

3 Enterprise Risk Management Framework

The approved Enterprise Risk Management Framework is attached hereto marked **Annex "A"** and included therein is the Anti- Fraud and Corruption Policy.

3.1 Risk Management Process

The approved Risk Management Strategy is also contained within the above Framework marked **Annex "A"**.

3.2 Risk Strategy

The strategic risk register is attached herewith marked **Annex "B"**. The risks facing the NCC are being managed and updated on an on-going basis.

4. Service Delivery Improvement Plan

The Service Delivery Improvement Plan has been developed and published on the website.

5. Any subsidiary or statutory body reporting to the entity

No subsidiary or statutory body reports to the NCC.

6. Indicator Profiles

The Indicator Profiles are attached hereto marked **Annex “C”**.