

NATIONAL CONSUMER COMMISSION
COMMISSIONER

2015 -02- 08

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NATIONAL CONSUMER COMMISSION

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ANNUAL PERFORMANCE PLAN

(2016/17 to 2018/19)

04 February 2016

A: Abbreviations and commonly used acronyms

CCRD	-	Consumer and Corporate Regulation Division
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
NCC	-	National Consumer Commission
PFMA	-	Public Finance Management Act
SLA	-	Service Level Agreement

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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 an approved structure consisting of 182 officials of which only 83 are funded. As at the end of March 2015, 76 (92%) of the funded positions were filled.

The NCC has, since inception in 2011, not restructured nor has it restructured since its revised strategy was approved in 2012/13. As the NCC has settled and commenced with the implementation of the revised strategy, it is expected that restructuring will be underway during the 2015/16 financial year. It is anticipated that, given the allocated budget of the NCC and the financial constraints highlighted by the National Treasury, a number of vacant posts will have to be abandoned. To this end, and particularly with the intention of ensuring that the NCC is operating effectively, the NCC has engaged the services of the Department of Public Service and Administration (DPSA) 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. No jobs will be shed.

Equity Target and Employment Equity Status

The equity and skills of the employees of the NCC as at 31 March 2015 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		0		1		0	
Senior Management	9		0		1		1	
Professional qualified	6		1		0		0	
Skilled	1		0		0		0	
Semi-skilled	20		0		0		0	
TOTAL	36		1		2		1	
Levels	FEMALE							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	1		0		0		0	
Senior Management	4		0		0		0	
Professional qualified	9		0		0		0	
Skilled	3		0		0		0	
Semi-skilled	19		0		0		0	
TOTAL	36		0		0		0	

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


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 am satisfied that the NCC's past focus on complying with the PFMA, is on track. This must be maintained and improved, in line with the guidance provided by its relevant governance structure.

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) Conduct research and propose policies to me in relation to the realisation and full enjoyment of consumer rights by vulnerable consumers;
- 5) Enforcement of the CPA by monitoring the consumer market to ensure that prohibited conduct and offences are prevented or detected and prosecuted;
- 6) Education and awareness on labelling across the different sectors and working in collaboration with other entities and Departments; and
- 7) Improved 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 throughout and beyond the borders of the Republic of South Africa.



Dr Rob Davies, MP

Minister of Trade and Industry

2: 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 2016/17 financial year.



Ms N Nkoana

Chief Financial Officer



Mr N Kuljeeth

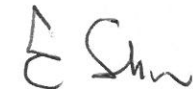
Company Secretary



Ms T Mabuza

Deputy Commissioner

Recommended for approval by:



Mr E Mohamed

Commissioner

09/02/2016
Date

4. Overview by the Commissioner

I am pleased to present this three 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 2016/17 to 2018/19.

During 2011, the President of the Republic of South Africa passed the Consumer Protection Act No. 68 of 2008 (“the Act”) into law. The NCC was established in terms of section 85 of the Act and began exercising its mandate with effect from 1 April 2011.

In these early years of existence, the NCC has attracted substantial interest from the broader public with the result that the incidence of complaints through the NCC rose sharply within a short space of time. This has left the NCC with a substantial responsibility to assist with the received complaints whilst still at institution building stage. Indications are that this high incidence of complaints received will be sustained over the medium to long term as the effects of the Act are understood and felt through-out the marketplace.

This annual performance plan sets out how the NCC will achieve its aim of contributing towards the enhancement and preservation of the socio-economic welfare of South Africans. The plan is prepared in consideration of the Constitution of the Republic of South Africa, the Consumer Protection Act and other applicable legislation as well as previous reports of the NCC, the concerns raised by the Executive Authority and other key stakeholders, including the Portfolio Committee on Trade and Industry.

I would like to encourage all staff, members and stakeholders of the NCC to adopt this plan and play their role in fulfilling it and trust that the Executive Authority and Parliament would endorse the Annual Performance Plan and indicate its commitment to supporting its implementation.



Mr E Mohamed
Commissioner

PART A: STRATEGIC OVERVIEW

5. 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.”**

6. 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”.**

7. 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 stakeholders.

The NCC's value statements are:

- a. **Professionalism and Ethical conduct** - Promote and maintain a high standard of professional ethic and promote efficient, effective and economic use of resources.
- 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 our own actions.
- e. **Teamwork** - Promote coherent and effective teams within the NCC

8. Strategic goals or objectives

The strategic objectives articulated below were arrived at through a careful assessment of the environment in which the NCC operates. The planning that resulted in the production of this annual performance plan gathered up-to-date information about the organisation's internal strengths and weaknesses, and its external opportunities and threats (challenges). This analysis also considered political, economic, social, environmental and technological aspects applicable to the NCC. Through this exercise, the workshops were able to refine and reshape the list of critical questions facing the NCC, and thus defining the critical strategic tasks facing the NCC over the next five years.

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

- **Administration;**
- **To promote Consumer Protection and Consumer Safety;**
- **To promote reform of consumer policy and consumer protection legislation; and**
- **To conduct research and to develop public awareness on consumer protection matters.**

9. 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 in 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**.

10. Recent Court Rulings

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

In line with its strategic plan, the Minister has accredited the Motor Industry and the Consumer Good Industry codes following recommendation by the NCC

As part of its monitoring function, the NCC will be constantly analysing the decisions of accredited alternative dispute resolution (ADR) schemes with a view to determining trends and emerging concerns for both consumers and business. The NCC will also continue to work with industries to

encourage and facilitate the drafting of new codes, where necessary. As and when approved by Minister, these new codes would have the effect of regulations.

The National Treasury has recently published its second draft of its Financial Sector Regulation Bill. The Bill, once enacted, is key to the implementation of the Twin Peaks model of financial regulation. The National Treasury has reported that:

“Twin Peaks is a comprehensive and complete system for regulating the financial sector. It aims to ensure better outcomes for financial customers and the wider economy, by ensuring that customers are treated fairly, that their funds are protected against the risk of institutions failing, and by reducing the risk of using taxpayer funds to protect the economy from systemic failures. Twin Peaks places equal focus on prudential and market conduct supervision by creating dedicated authorities responsible for each of these objectives. It also places a separate focus on financial stability. A Twin Peaks system also represents a decisive shift away from a fragmented regulatory approach, minimising regulatory arbitrage or forum shopping. It focuses on implementing a more streamlined system of licensing, supervision, enforcement, customer complaints (including ombuds), appeal mechanism (tribunal) and customer advice and education across the financial sector.”

This then means that the business practices of banks, long term and short term insurers cannot be regulated by the Consumer Protection Act. The policy is in line with international agreements that bind the Republic of South Africa. The NCC can only encourage the establishment of sector specific regulators that would serve the interest of consumers. 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. Very importantly, the Twin Peaks model makes provision for cooperation amongst regulators, the NCC, included. Provision for such cooperation will have to be considered going forward.

11. 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. Knowing what to do. 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.

11.1 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 revising the consumer protection framework, **the dti's** intention was to create an environment where a culture of consumer rights and responsibilities prevails. 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 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 R2m 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 legislations. 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 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 it has commenced delivering on this revised strategy in the 2013/14 financial year. Essentially, the NCC sought to encourage consumers and suppliers to attempt to resolve their disputes amongst themselves, prior to referring these complaints to the NCC. This obviously was in direct contrast to the previous strategy which invariably resulted in the NCC then being virtually swamped with vast numbers of complaints to the point where it was unable to cope with the influx, leading to backlogs stretching back to 2011. It was however clear from the very outset that consumers were primarily concerned with a speedy resolution of their complaints against suppliers and therefore, the need for facilitating conciliation and mediation between consumers and suppliers became imperative. This document reflects a revised strategy without altering the essence of the 2012/13 strategy.

In order to expand conciliation and mediation fora for the resolution of consumer complaints, the NCC will continue approaching key industries or sectors 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 resources, that is, both financial and skilled human resources, are limited and must be put to effective use. Ultimately, another key focus of the NCC would be the monitoring of the accredited ombud schemes.

Minister has recently approved the Motor Industry Scheme and the Motor Industry Ombud (MIO) will be the ADR agent implementing the code. All complaints related to the motor industry will be dealt with by the MIO. The complainants will refer their complaints directly to the MIO and those complaints lodged with the NCC or the Provincial Consumer Affairs will be referred to MIO as per a referral protocol. The NCC and the MIO and other accredited ombuds will develop mechanisms and enter into an agreement 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 focus on the investigation of systemic unfair conduct based on criteria that is 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 safe supply of 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) and the South African Revenue Service (SARS). The facilitation and monitoring of recall of 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.

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 and 2014-15 financial years. The compliance burden on the NCC has been increasing. This impacts on all officials and on its efficacy to deal with its core mandate. The NCC has been saddled with a poor compliance history and in this financial year the NCC will ensure that it maintains and improves on its internal controls. This will be largely guided by findings made by internal and external auditors as well as the performance assessments performed by the Executive Authority.

11.2 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. 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 the office 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 and annual financial statements and other relevant documents which have to be tabled, as well as any other documents tabled from time to time. The Portfolio Committee also exercises oversight over the service delivery performance of the NCC and, in doing so, reviews the non-financial information contained in the annual reports of the NCC.

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 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 quarterly and annually whereas management accounts are 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 83 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 to assist in giving effect to its strategy and annual performance plan, a review of the NCC structure will be finalised. Following the review, unnecessary vacant positions will be abandoned and only key vacant positions will be filled. The review of the structure will not 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. A proper skills upgrade programme is underway.

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. The Executive Authority is in the process of facilitating the establishment of bargaining chambers for its entities. NCC officials are members of the GEPF. Officials are prevented by the Government Employees Medical Scheme (GEMS) from participating in GEMS. Further engagement with the said scheme on participation by officials of government agencies will be pursued.

Corporate governance at the NCC embodies processes and systems by which public entities are 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 has one ex-officio member that serves 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 staff. No acts of fraud have occurred over the last two years. As a part 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.

11.3 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. In turn, respective divisional heads canvassed the mandate and core deliverables with officials. A workshop involving senior officials of the NCC, representatives of the Executive Authority, internal audit and the Auditor General was held in November 2015 at which this plan was canvassed.

13. Financial Plan

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

Financial Performance data in R'000s

<i>Details</i>	<i>2016/17</i>	<i>2017/18</i>	<i>2018/19</i>
Transfers received	58 013	60 914	64 447
Interest received	1 606	1 695	1 788
Total revenue	59 619	62 609	66 235
Compensation of employees	41 574	43 902	46 361
Salary & wages	37 759	39 870	42 099
Social contributions (employer contributions only)	3 815	4 032	4 262
Use of goods and services	18 045	18 707	19 874
Administrative fees	1 180	1 239	1 262
Advertising	1 089	1 191	1 205
Assets less than R5 000	20	20	25

Details	2016/17	2017/18	2018/19
Audit costs	1 972	1 662	1 887
Bank charges	27	28	29
Catering: internal activities	161	185	206
Communication	468	514	522
Computer services	370	391	414
Consultants	1 292	1 327	1 331
Contractors	1 873	1 982	2 097
Consumables / Groceries	63	66	68
Lease Payments	4 327	4 583	5 141
Legal fees	831	935	980
Non-life insurance	84	88	92
Printing and publication	473	568	583
Repairs and maintenance	99	104	111
Research and development	720	785	835

<i>Details</i>	<i>2016/17</i>	<i>2017/18</i>	<i>2018/19</i>
Training and staff development	162	171	181
Travel and subsistence	806	845	862
Water and electricity	496	500	512
Venues and facilities	271	303	412
Depreciation and amortisation	1 261	1 220	1 119
Total expenses	59 619	62 609	66 235
Surplus / (Deficit)	-	-	-

ii. Asset and Liability Management	2016/17	2017/18	2018/19
Assets			
Current Assets			
Trade and other receivables from non- exchange transactions	46	20	30
Trade and other receivables from exchange transactions	40	30	20
Cash and cash equivalents	9 500	9 000	9 500
Current Assets	9 586	9 050	9 550
Non-Current Assets			
Property, plant & equipment	3 500	3 600	3 500
Intangible assets	1 100	1 594	1 300
Non-Current Assets	4 600	5 194	4 800
Total Assets	14 186	14 244	14 350
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	1 400	1 200	1 000
Provisions	1 100	1 200	1 300
Operating lease liability	840	940	800
Non-current liabilities	239	297	643
Total liabilities	3 579	3 637	3 743
Assets	14 186	14 244	14 350
Liabilities	(3 579)	(3 637)	(3 742)
Net assets	10 607	10 607	10 608
Accumulated surplus	10 607	10 607	10 608

iii. Cash Flow Projections	2015/16	2016/17	2017/18
Receipts	59 619	62 609	66 235
Transfer received	58 013	60 914	64 447
Interest received	1 606	1 695	1 788
Payments	59 619	62 609	66 235
Employee cost	41 574	43 902	46 361
Operating expenditure	18 045	18 707	19 874
Cash flow from operating activities	-	-	-
Cash Flow from investing activities			
Purchase of property, plant & equipment	(300)	(600)	(650)
Purchase of intangible assets	(200)	(700)	(300)
Net cash flow from investing activities	(500)	(1 300)	(950)
Total cash & cash equivalents movement	(500)	(1 300)	(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 -Administration

14.1 Purpose of the programme:

Programme 1: Administration comprises the leadership and Corporate services functions. The offices of the Commissioner and Deputy Commissioner are responsible for leadership and direction in respect of the strategic objectives and operation of the NCC as a whole. Corporate Services is critical to the operation of the NCC. In that, it is responsible for Finance, Supply Chain, Human Resources, Information and Communication Technology, and Records Management.

14.2 Description of the programme:

To improve on the governance, compliance and resource requirements of the entity.

14.3 Performance indicators and performance targets per programme

Goal/ Outcome	Output	Performance Indicator/ measure	Audited Actual Performance			Estimate Performanc e	Medium Term Targets		
			2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
To improve on the governance, compliance and resource requirements of the entity.	1. Effective ICT Services	Percentage (%) of ICT strategy implemented	<i>Not part of 2012/13 target</i>		<i>The ICT Strategy developed and approved, and in process of being implemented.</i>	100%	80% of ICT strategy implemented	ICT strategy fully implemented.	Review ICT Strategy

14.4 Quarterly milestones

Goal/ Outcome	Output	Performance Indicator/ Measure	Baseline Info	2016/17 Annual Target	Quarterly Milestones			
					1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
To improve on the governance, compliance and resource requirements of the entity.	1. Effective ICT Services	Percentage (%) of ICT strategy implemented	2015/16 baseline	80% of ICT strategy implemented	ICT strategy implemented	ICT strategy implemented	ICT strategy implemented	ICT strategy implemented

14.5 Financial Plan (Expenditure estimates for programme 1)

Administration							
Economic classification	Expenditure outcome			Adjusted Appropriation	Medium-Term Expenditure Estimate		
	2012/13	2013/14	2014/15		2015/16	2016/17	2017/18
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
Compensation of employees	15 131	18 229	21 020	15 213	17 065	18 035	19 060
Goods & services	12 615	10 966	13 674	12 961	13 580	14 020	15 078
Total expenditure	27 746	29 195	34 694	28 174	30 645	32 055	34 138

15. Programme 2- To promote Consumer Protection and Consumer Safety

15.1 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.

15.2 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 inspections and 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 to the National Consumer Tribunal for declaration of various conduct as prohibited conduct;
- (iv) Facilitate, conduct and monitor product recalls;
- (v) Establish or recognize as authoritative, a registry in which any person may register a pre-emptive block against any communication that is primarily for the purpose of direct marketing

15.3 Performance indicators and performance targets per programme

Attention is drawn to the fact that the NCC, in these formative years, has found it difficult to establish baselines that are reliable. This arose from a change in strategy in 2012 following innumerable legitimate objections by stakeholders to its initial strategy and approach.

Goal/ Outcome	Output	Performance Indicator/ measure	Audited Actual Performance			Estimated Performance 2015/16	Medium Term Targets		
			2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
Facilitate an environment that enables resolution of disputes between consumers and suppliers that is expedient, cost effective, fair and transparent.	2. Complaints processed timeously	Percentage (%) of complaints referred or issued with non-referrals in a pre-defined time period	<i>Not part of 2012/13 target</i>	<i>Not part of 2013/14 target</i>	<i>Not part of 2014/15 target</i>	80% of complaints referred or issued with non-referrals on an average of 60 days	90% complaints referred or issued with non-referrals on an average of 40 days	95% complaints referred or issued with non-referrals on an average of 30 days	95% complaints referred or issued with non-referrals on an average of 30 days
	3. Accredited Ombud Scheme/s monitored regularly	Report on accredited ombuds in line with the published codes of conduct or as agreed with the supplier.	<i>Not part of 2012/13 targets</i>	<i>Not part of 2013/ 14 targets</i>	<i>Not part of 2014/ 15 targets</i>	Estimated performance of 70% to Assess and report on the performance of accredited Ombud Scheme(s) in line with MOU entered into between NCC and Scheme/s	Receive and assess reports from accredited ombuds in line with published codes of conduct or as agreed with the Ombud. Compile quarterly assessment report and submit to Executive Authority	Receive and assess reports from accredited ombuds in line with published codes of conduct or as agreed with the supplier. Compile quarterly assessment report and submit to Executive Authority	Receive and assess reports from accredited ombuds in line with published codes of conduct or as agreed with the supplier. Compile quarterly assessment report and submit to Executive
	4. Industry Codes recommended to Minister for approval	Recommend compliant Industry Code for accreditation to Minister	<i>3 applications received in terms of the</i>	<i>1 Industry Code recommend ed to Minister</i>	<i>Compliant Consumer Goods and Services Code</i>	100% Assess all code/s received, consult	Submit Industry Code to Minister for accreditation within 6 months	Submit Industry Code to Minister for accreditation within 6 months	Submit Industry Code to Minister for accreditation within 6 months

Goal/ Outcome	Output	Performance Indicator/ measure	Audited Actual Performance			Estimated Performance	Medium Term Targets		
			2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
			<i>guidelines in Q3 and Q4</i>		<i>recommended to Minister within six (6) months. Code accredited by Minister</i>	stakeholders, amend code and recommend for Minister's accreditation within 12 months	of receipt of compliant code.	of receipt of compliant code.	of receipt of compliant code.
	5. Codes of good practice developed and approved by Commissioner	Codes of good practice developed	<i>Not part of 2012/13 targets</i>	<i>Draft section 93 code of good practice for the return of vehicles within the motor industry is still under development</i>	<i>The code relating to interpretation of rights as contained in section 23 to 28 has been developed and approved for publication.</i>	100%- One code of good practice developed on towing services	One code of good practice on Alternative Dispute Resolution norms and standards developed in terms of section 93 (1) (d) of the CPA.	Review of Codes of good practice developed	One code of good practice developed
Conduct inspections and investigations so as to enforce the provisions of the Consumer Protection Act thereby ensuring compliance with the	6. Investigations conducted and reports produced.	Number of investigations conducted and reports with recommendations produced.	36 <i>Investigations approved and certificated in the latter part of the year under review</i>	<i>In total, 41 Investigations and Inspections have been finalised and reports drafted and approved by</i>	<i>18 investigations finalised and approved by the Commissioner</i>	100% 12 investigations conducted, reports with recommendations produced and approved by	12 investigations conducted, reports with recommendations produced and approved by Commissioner	12 investigations conducted, reports with recommendations produced and approved by Commissioner	12 investigations conducted, reports with recommendations produced and approved by Commissioner

Goal/ Outcome	Output	Performance Indicator/ measure	Audited Actual Performance			Estimated Performance	Medium Term Targets		
			2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
provisions of the Consumer protection Act				<i>the Commissioner</i>		Commissioner (target may be exceeded)			
	7. Inspections conducted and reports produced.	Number of Inspections conducted and reports with recommendations produced.	<i>Not part of 2012/13 target</i>	<i>Not part of 2013/14 target</i>	<i>34 Inspections conducted and reports produced</i>	100% 20 inspections conducted, reports with recommendations produced and approved by Commissioner (Target will be exceeded)	22 inspections conducted, reports with recommendations produced and approved by Commissioner	22 inspections conducted, reports with recommendations produced and approved by Commissioner	22 inspections conducted, reports with recommendations produced and approved by Commissioner
Make applications to the National Consumer Tribunal for declaration of various conduct as prohibited conduct	8. Applications made to the National Consumer Tribunal to declare certain investigated conduct as prohibited conduct	Number of Applications made to the National Consumer Tribunal to declare certain investigated conduct as prohibited conduct	<i>Not part of 2012/13 targets</i>	<i>Not part of 2013/ 14 targets</i>	<i>Not part of 2014/ 15 targets</i>	Not applicable New target	Two applications made to the National Consumer Tribunal to declare certain investigated conduct as prohibited conduct	Three applications made to the National Consumer Tribunal to declare certain investigated conduct as prohibited conduct	Three applications made to the National Consumer Tribunal to declare certain investigated conduct as prohibited conduct
Facilitate, conduct and monitor product recalls	9. 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.	<i>Not part of 2012/13 target</i>	<i>Not part of 2013/ 14 targets</i>	<i>Not part of 2014/15</i>	100% Administer and monitor all product recalls in line with published Product Recall	Produce a report on the administration and monitoring of the product recalls in line with published Product Recall	Produce a report on the administration and monitoring of the product recalls in line with published Product Recall	Produce a report on the administration and monitoring of the product recalls in line with published Product Recall

Goal/ Outcome	Output	Performance Indicator/ measure	Audited Actual Performance			Estimated Performance	Medium Term Targets		
			2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
						guidelines or as agreed with the supplier. Reports produced	guidelines or as agreed with the supplier.	guidelines or as agreed with the supplier.	guidelines or as agreed with the supplier.
Establish or recognize as authoritative, a registry in which any person may register a pre-emptive block against any communication that is primarily for the purpose of direct marketing	10. Opt Out Register established, implemented and maintained	Opt Out Register established, implemented, maintained and monitored in line with the SLA	<i>Not part of 2012/13 targets</i>	<i>Not part of 2013/ 14 targets</i>	<i>Not part of 2014/15</i>	80% (Feasibility study and appointment of transactional adviser may be slightly delayed) Opt out Register benchmarked; Register project as Public Private Partnership project; Appoint external project manager; Secure budget; Compile terms of reference for the appointment of a	Finalise appointment of Transactional adviser. Finalise feasibility study; Commence with procurement of register.	Complete Procurement of Register; Enter into management agreement Commence with establishment of Register.	Finalise establishment of Register. Implement, maintain and monitor register as per management agreement.

Goal/ Outcome	Output	Performance Indicator/ measure	Audited Actual Performance			Estimated Performance	Medium Term Targets		
			2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
						transactional adviser. Commence with feasibility study.			

15.4 Quarterly milestones

Goal/ Outcome	Output	Performance Indicator/ Measure	Baseline Info	2016/17 Annual Target	Quarterly Milestones			
					1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Facilitate an environment that enables resolution of disputes between	2. Complaints processed timeously	Percentage (%) of complaints processed in a pre-defined time period	2015/16 baseline	90% complaints referred or issued with non-referrals on an average of 40 days	90% of complaints processed on an average of 40 days	90% of complaints processed on an average of 40 days	90% of complaints processed on an average of 40 days	90% of complaints processed on an average of 40 days

Goal/ Outcome	Output	Performance Indicator/ Measure	Baseline Info	2016/17 Annual Target	Quarterly Milestones			
					1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
consumers and suppliers that is expedient, cost effective, fair and transparent.	3. Accredited Ombud Scheme/s are monitored regularly	Report on accredited ombuds in line with the published codes of conduct or as agreed with the supplier.	2015/16 baseline	Receive and assess reports from accredited ombuds in line with published codes of conduct or as agreed with the Ombud. Compile quarterly assessment report and submit to Executive Authority	Receive and assess quarterly reports of accredited Ombuds; Compile quarterly assessment report and submit to Executive Authority	Receive and assess quarterly reports of accredited Ombuds; Compile quarterly assessment report and submit to Executive Authority	Receive and assess quarterly reports of accredited Ombuds; Compile quarterly assessment report and submit to Executive Authority	Receive and assess quarterly reports of accredited Ombuds; Compile quarterly assessment report and submit to Executive Authority
	4. Industry Codes recommended to Minister for approval	Recommend compliant Industry Code for accreditation to Minister	2015/16 baseline	Submit Industry Code to Minister for accreditation within 6 months of receipt of compliant code.	Identify 2 industries and consult with stakeholders. Develop guidelines	Consultation with stakeholders	Receipt of compliant codes; Perusal and publication of codes; Consultation with stakeholders.	Consultation with stakeholders; Approval of code by Commissioner; Recommendation of codes to Minister for accreditation.

Goal/ Outcome	Output	Performance Indicator/ Measure	Baseline Info	2016/17 Annual Target	Quarterly Milestones			
					1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
	5. Codes of good practice developed and approved by Commissioner	Codes of good practice developed	2015/16 baseline	One code of good practice on Alternative Dispute Resolution norms and standards developed in terms of section 93 (1) (d) of the CPA.	Stakeholders consulted and draft consultation report	1 st draft code of good of practice developed and presented at ExCo.	Code published in Gazette. Stakeholders consulted on draft Code.	Amended code approved by Commissioner and published for implementation.
Conduct inspections and investigations so as to enforce the provisions of the Consumer Protection Act thereby ensuring compliance with the provisions of the Consumer Protection Act	6. Investigations conducted and reports produced.	Number of investigations conducted and reports with recommendations produced.	2015/16 baseline	12 investigations conducted, reports with recommendations produced and approved by Commissioner	2 investigations conducted and reports produced	4 investigations conducted and reports produced	4 investigations conducted and reports produced	2 investigations conducted and reports produced
	7. Inspections conducted and reports produced.	Number of Inspections conducted and reports with recommendations produced.	2015/16 baseline	22 inspections conducted, reports with recommendations produced and approved by Commissioner	4 inspections conducted and reports produced	7 inspections conducted and reports produced	7 inspections conducted and reports produced	4 inspections conducted and reports produced

Goal/ Outcome	Output	Performance Indicator/ Measure	Baseline Info	2016/17 Annual Target	Quarterly Milestones			
					1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Make applications to the National Consumer Tribunal for declaration of various conduct as prohibited conduct	8. Applications made to the National Consumer Tribunal to declare certain investigated conduct as prohibited conduct	Number of Applications made to the National Consumer Tribunal to declare certain investigated conduct as prohibited conduct		Two applications made to the National Consumer Tribunal to declare certain investigated conduct as prohibited conduct		One application made to the National Consumer Tribunal to declare certain investigated conduct as prohibited conduct		One application made to the National Consumer Tribunal to declare certain investigated conduct as prohibited conduct
Facilitate, conduct and monitor product recalls	9. 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.	2015/16 baseline	Produce a report on the administration and monitoring of the product recalls in line with published Product Recall guidelines or as agreed with the supplier.	Receive, register, analyse; and monitor product recalls in line with published Product Recall guidelines or as agreed with the supplier. Report produced	Receive, register, analyse; and monitor product recalls in line with published Product Recall guidelines or as agreed with the supplier. Report produced	Receive, register, analyse; and monitor product recalls in line with published Product Recall guidelines or as agreed with the supplier. Report produced	Receive, register, analyse; and monitor product recalls in line with published Product Recall guidelines or as agreed with the supplier. Report produced

Goal/ Outcome	Output	Performance Indicator/ Measure	Baseline Info	2016/17 Annual Target	Quarterly Milestones			
					1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Establish or recognize as authoritative, a registry in which any person may register a pre-emptive block against any communication that is primarily for the purpose of direct marketing	10. Opt Out Register established, implemented and maintained	Opt Out Register established, implemented, maintained and monitored in line with the SLA	2015/16 baseline	Finalise appointment of Transactional adviser. Finalise feasibility study; Commence with procurement of register.	Appoint Transactional adviser. Commence with feasibility study.	Conduct feasibility study.	Finalise feasibility study.	Commence with procurement of register.

15.5 Financial Plan (Expenditure estimates for programme 2)

Consumer Safety and Protection							
Economic classification	Expenditure outcome			Adjusted Appropriation	Medium-Term Expenditure Estimate		
	2012/13	2013/14	2014/15		2015/16	2016/17	2017/18
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
Compensation of employees	5 614	7 011	8 085	17 226	18 163	19 170	20 234
Goods & services	6 481	4 218	5 259	1 490	1 517	1 723	1 855
Total expenditure	12 095	11 229	13 344	18 716	19 680	20 893	22 089

16. Programme 3- To promote reform of consumer policy and consumer protection legislation

16.1 Purpose of the programme:

Reform consumer legislation in order to achieve the progressive transformation and improvement of practices that are inconsistent with the CPA

16.2 Description of the programme:

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

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

The purpose is to:

- i) Advise Minister on matters relating to consumer protection and on the determination of national norms and standards regarding consumer protection in terms of the CPA that should apply generally throughout the Republic;
- ii) Identify legislation that affects the welfare of consumers which is inconsistent with the purposes of the CPA. Develop proposals and recommendations to Minister for reform of practices that are inconsistent with the CPA.
- iii) Provide guidance to the public by issuing explanatory notes and/or non-binding opinions on the interpretation of provisions of the CPA;
- iv) Apply to a court for a declaratory order on the interpretation or application of any provision of the CPA;

16.3 Performance indicators and performance targets per programme

Goal/ Outcome	Output	Performance Indicator/ measure	Audited Actual Performance			Estimated Performanc e	Medium Term Targets		
			2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Advise Minister on matters relating to consumer protection and on the determination of national norms and standards regarding consumer protection in terms of the CPA that should apply generally throughout the Republic	11. Conduct research on matters relating to consumer protection and on the determination of national norms and standards regarding consumer protection in terms of the CPA that should apply generally and advise Minister	Number of research projects conducted on matters relating to consumer protection and on the determination of national norms and standards in terms of the CPA that should apply generally and advice provided to Minister	<i>Not part of 2012/13 targets</i>	<i>Not part of 2013/ 14 targets</i>	<i>Not part of 2014/ 15 targets</i>	N/A New Target	Survey Consumer Protection Awareness amongst rural consumers on norms and standards relating to advertisements, agreements, marks, instructions, and labelling.	Conduct research (TBD) relating to consumer protection and on the determination of national norms and standards regarding consumer protection in terms of the CPA that should apply generally and make recommendations to Minister	Conduct research (TBD) relating to consumer protection and on the determination of national norms and standards regarding consumer protection in terms of the CPA that should apply generally and make recommendations to Minister
Identify legislation that affects the welfare of consumers which is inconsistent with the purposes of the CPA and develop proposals for	12. Develop and submit proposals for reform of practices inconsistent with the CPA	Identify number of legislation that affects the welfare of consumers which is inconsistent with the purposes of the CPA and develop proposals for reform of practices	<i>Not part of 2012/13 targets</i>	<i>Not part of 2013/ 14 targets</i>	<i>Not part of 2014/ 15 targets</i>	Not applicable- New Target	Identify one Act that affects the welfare of consumers which is inconsistent with the purposes of the CPA and develop proposals for reform of	Identify two Acts that affect the welfare of consumers which are inconsistent with the purposes of the CPA and develop proposals for reform of	Identify two Acts that affect the welfare of consumers which are inconsistent with the purposes of the CPA and develop proposals for reform of

Goal/ Outcome	Output	Performance Indicator/ measure	Audited Actual Performance			Estimated Performanc e	Medium Term Targets		
			2012/13	2013/14	2014/15		2015/16	2016/17	2017/18
reform of practices							practices, Report submitted to Minister.	practices, Report submitted to Minister.	practices, Report submitted to Minister.
Provide guidance to the public by issuing explanatory notes and/or non-binding opinions on the interpretation of provisions of the CPA	13. 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	<i>Not part of 2012/13 targets</i>	<i>Not part of 2013/ 14 targets</i>	<i>Not part of 2014/ 15 targets</i>	95 % of registered requests for advice are responded to on an average of 10 days	80 % of registered requests for explanatory notes and /or non-binding opinions provided within an average of 20 days	80 % of registered requests for explanatory notes and /or non-binding opinions provided within an average of 20 days	80 % of registered requests for explanatory notes and /or non-binding opinions provided within an average of 20 days
Apply to a court for a declaratory order on the interpretation or application of any provision of the CPA	14. Apply for declaratory orders on the interpretation or application of any provision of the CPA.	Number of applications for declaratory orders on the interpretation or application of any provision of the CPA.	<i>Not part of 2012/13 targets</i>	<i>Not part of 2013/ 14 targets</i>	<i>Not part of 2014/ 15 targets</i>	Not applicable New Target	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.

16.4 Quarterly Milestones

Goal/ Outcome	Output	Performanc e Indicator/ Measure	Baseline Info	2016/17 Annual Target	Quarterly Milestones			
					1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Advise Minister on matters relating to consumer protection and on the determination of national norms and standards regarding consumer protection in terms of the CPA that should apply generally throughout the Republic	11. Conduct research on matters relating to consumer protection and on the determination of national norms and standards regarding consumer protection in terms of the CPA that should apply generally and advise Minister	Number of research projects conducted on matters relating to consumer protection and on the determination of national norms and standards in terms of the CPA that should apply generally and advice provided to Minister	Not part of 2015/16 target	Survey Consumer Protection Awareness amongst rural consumers on norms and standards relating to advertisements, agreements, marks, instructions, and labelling.	Terms of reference for the following research developed and presented to EXCO and approved. (to be determined)	Appointment of service provider to conduct research. Research commenced ; Progress reports produced on research project	All Research concluded. One Draft research report prepared and presented to EXCO for inputs.	One Research report finalized; signed off by the Commissioner and submitted to Minister

Goal/ Outcome	Output	Performance Indicator/ Measure	Baseline Info	2016/17 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	12. Develop and submit proposals for reform of practices inconsistent with the CPA	Identify number of legislation that affects the welfare of consumers which is inconsistent with the purposes of the CPA and develop proposals for reform of practices	Not part of 2015/16 target	Identify one Act that affects the welfare of consumers which is inconsistent with the purposes of the CPA and develop proposals for reform of practices, Report submitted to Minister.	Identify one Act that affects the welfare of consumers which is inconsistent with the purposes of the CPA	Assess and analyse practices and produce report	Develop proposals for reform of practices. Draft Report	Finalise Report and submit to Minister
Provide guidance to the public by issuing explanatory notes and/or non-binding opinions on the interpretation of provisions of the CPA	13. 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	2015/16 baseline	80 % of registered requests for explanatory notes and /or non-binding opinions provided within an average of 20 days	80 % of registered requests for explanatory notes and /or non-binding opinions provided within an average of 20 days	80 % of registered requests for explanatory notes and /or non-binding opinions provided within an average of 20 days	80 % of registered requests for explanatory notes and /or non-binding opinions provided within an average of 20 days	80 % of registered requests for explanatory notes and /or non-binding opinions provided within an average of 20 days

Goal/ Outcome	Output	Performanc e Indicator/ Measure	Baseline Info	2016/17 Annual Target	Quarterly Milestones			
					1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Apply to a court for a declaratory order on the interpretation or application of any provision of the CPA	14. Apply for declaratory orders on the interpretation or application of any provision of the CPA.	Number of applications for declaratory orders on the interpretation or application of any provision of the CPA.	Not part of 2014/15 targets	Make one application for a declaratory order on the interpretation or application of a provision of the CPA.	Identify subject of declaratory order And brief legal counsel.	Make application for declaratory order	Publish order if order secured	Publish order if order secured

16.5 Financial Plan (Expenditure estimates for programme 3)

Research, advocacy and empowerment of participants in the consumer market							
Economic classification	Expenditure outcome			Adjusted Appropriation	Medium-Term Expenditure Estimate		
	2012/13	2013/14	2014/15		2015/16	2016/17	2017/18
	R' 000	R '000	R' 000	R' 000	R' 000	R' 000	R' 000
Goods & services					1 400	1 345	1 232
Total expenditure					1 400	1 345	1 232

17. Programme 4 - To conduct research and to develop public awareness on consumer protection matters

17.1 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

17.2 Description of the programme:

The functions in relation to this objective are performed by the Research and Advocacy, Education and Awareness Divisions.

The purpose is to:

- (i) Conduct targeted consumer workshops as well as business focused workshops and presentations aimed at facilitating a better understanding of the Act;
- (ii) Analyse complaints and market conduct and develop trends analysis reports which would serve to assist the NCC in determining its intervention strategies.
- (iii) Facilitate a consumer protection environment that is well coordinated and responsive to consumer needs.
- (iv) Conduct research and propose policy changes to the Minister in relation to any matter affecting the supply of goods and services, that would improve the realization and full enjoyment of consumer rights;

17.3 Performance indicators and performance targets per programme

Goal/ Outcome	Output	Performance Indicator/ measure	Audited Actual Performance			Estimated Performanc e	Medium Term Targets		
			2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Conduct targeted consumer workshops as well as business focused workshops and presentations aimed at facilitating a better understanding of the Act;	15. Consumer awareness initiatives conducted in the different provinces	Number of consumer awareness initiatives conducted	47%	17 Workshops conducted.	Thirteen (13) workshops held in the year	100% -18 consumer awareness workshops conducted	24 consumer awareness workshops conducted	24 consumer awareness workshops conducted	24 consumer awareness workshops conducted
	16. Business compliance initiatives conducted in different provinces	Number of business compliance initiatives conducted in different provinces	Not part of 2012/13 targets	Not part of 2013/ 14 target	Not part of 2014/15 target	100% 12 business compliance workshops conducted.	12 business compliance workshops conducted.	12 business compliance workshops conducted.	12 business compliance workshops conducted.
	17. Publish and distribute educational material to consumers	Number of newsletters published and distributed to consumers in predetermined frequencies	4 internal newsletters prepared and distributed internally	4 internal newsletters prepared and distributed internally, 1 per quarter	4 Internal Newsletters developed and distributed	100% - 2 External Newsletters published and distributed to stakeholders. 4 Internal Newsletters published and distributed internally.	3 External Newsletters published and distributed to stakeholders 4 Internal Newsletters published and distributed internally.	4 External Newsletters published and distributed to stakeholders. 4 Internal Newsletters published and distributed internally.	4 External Newsletters published and distributed to stakeholders. 4 Internal Newsletters published and distributed internally.
Analyse complaints and market conduct and	18. Complaints analysed, trends established and reports produced	100% of complaints registered analysed, trends	Not part of 2012/13 targets	Not part of 2013/ 14 targets	Not part of 2014/15 targets	100% of registered complaints analysed,	100% of registered complaints analysed,	100% of registered complaints analysed,	100% of registered complaints analysed,

Goal/ Outcome	Output	Performance Indicator/ measure	Audited Actual Performance			Estimated Performanc e	Medium Term Targets		
			2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
develop trends analysis reports which would serve to assist the NCC in determining its intervention strategies.		established and report produced.				trends established and annual report produced and approved by Commissioner	trends established and annual report produced	trends established and annual report produced	trends established and annual report produced
Facilitate a consumer protection environment that is well coordinated and responsive to consumer needs.	19. Stakeholder relations promoted	Number of meetings with key stakeholders facilitated.	<i>Minimum of 14 meetings</i>	<i>13 Meetings held with various key stakeholders</i>	<i>Nine (9) meetings arranged and held with stakeholders. Attended two (2) other meetings on invitation by stakeholders.</i>	100% 8 Meetings held with critical stakeholders including quarterly meetings with provincial consumer protection authorities	8 Meetings held with critical stakeholders including quarterly meetings with provincial consumer protection authorities	8 Meetings held with critical stakeholders including quarterly meetings with provincial consumer protection authorities	8 Meetings held with critical stakeholders including quarterly meetings with provincial consumer protection authorities
	20. Participation in key national and or international Conferences	Number of conferences attended and papers presented	<i>Not part of 2012/13 targets</i>	<i>Addressed 6 conferences Participated in the seminar hosted by Consumers International on the amendment of UN Guidelines</i>	<i>NCC participated in the following International Conferences: i) Africa Dialogue Conference in Malawi ii) The LAP 10, spam</i>	100% Participate in and or present papers in 3 national and 4 international Conferences	Participate in and or present papers in 3 national and 4 international Conferences	Participate in and or present papers in 3 national and 4 international Conferences	Participate in and or present papers in 3 national and 4 international Conferences

Goal/ Outcome	Output	Performance Indicator/ measure	Audited Actual Performance			Estimated Performanc e	Medium Term Targets		
			2012/13	2013/14	2014/15		2015/16	2016/17	2017/18
				<p>on Consumer Protection</p> <p>conference, was attended in Japan; and</p> <p>iii) OECD conference in Paris was attended. Reports were compiled following each conference. NCC also participated in:</p> <p>i) preparation for next Africa Dialogue conference to be held in Egypt;</p> <p>ii) Seminar in Zimbabwe on Zimbabwean draft consumer protection legislation</p> <p>NCC Participated in the following National Conferences:</p> <p>i) Consumer Rights Day</p>					

Goal/ Outcome	Output	Performance Indicator/ measure	Audited Actual Performance			Estimated Performanc e	Medium Term Targets		
			2012/13	2013/14	2014/15		2015/16	2016/17	2017/18
					<i>function (held by NCC in Ekurhuleni on Sunday 15 March 2015); ii) World Retail Conference; iii) Complaints Resolution conference in Cape Town and Compliance conference hosted by Dept of Health addressed in Rustenburg (the NRCS conference was postponed to the next financial year)</i>				
Conduct research and propose policy changes to the Minister in relation to any matter affecting the supply of goods and	21. Research conducted, trends analysed and information and knowledge managed.	Number of research reports completed and issued to Minister	<i>Completed three (3) sector research studies in the following sector industries</i>	<i>Not part of 2013/14 targets</i>	<i>Two (2) research reports on: Funeral Services; and Tow Truck Services produced but not submitted to Minister</i>	66% of 2015/16 target, that is, 3 research reports submitted to Minister.	Compilation of an Affordability Index to measure the level of affordability of particular goods and services in the Republic.	2 research reports submitted to Minister	2 research reports submitted to Minister

Goal/ Outcome	Output	Performance Indicator/ measure	Audited Actual Performance			Estimated Performanc e	Medium Term Targets		
			2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
services, that would improve the realization and full enjoyment of consumer rights;									

17.4 Quarterly Milestones

Goal/ Outcome	Output	Performanc e Indicator/ Measure	Baseline Info	2016/17 Annual Target	Quarterly Milestones			
					1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Conduct targeted consumer workshops as well as business focused workshops and presentations aimed at facilitating a better	15. Consumer awareness initiatives conducted in the different provinces	Number of consumer awareness initiatives conducted	2015/16 baseline	24 consumer awareness workshops conducted	5 Workshops coordinated	7 Workshops conducted	7 Workshops conducted	5 Workshops conducted
	16. Business compliance initiatives conducted in different provinces	Number of business compliance initiatives conducted in different provinces	2015/16 baseline	12 business compliance workshops conducted.	2 Workshops conducted	5 Workshops conducted	2 Workshops conducted	3 Workshops conducted

Goal/ Outcome	Output	Performance Indicator/ Measure	Baseline Info	2016/17 Annual Target	Quarterly Milestones			
					1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
understanding of the Act;	17. Publish and distribute educational material to consumers	Number of newsletters published and distributed to consumers in predetermined frequencies	2014/15 baseline	3 External Newsletters published and distributed to stakeholders	None	1 External newsletter developed, published and distributed to consumers	1 External newsletter developed, published and distributed to consumers	1 External newsletter developed, published and distributed to consumers
				4 Internal Newsletters published and distributed internally.	1 Internal Newsletter published and distributed internally.	1 Internal Newsletter published and distributed internally.	1 Internal Newsletter published and distributed internally.	1 Internal Newsletter published and distributed internally.
Analyse complaints and market conduct and develop trends analysis reports which would serve to assist the NCC in determining its intervention strategies.	18. Complaints analysed, trends established and reports produced	100% of complaints registered analysed, trends established and report produced.	2014/15 baseline	100% of registered complaints analysed, trends established and annual report produced	100% of registered complaints analysed, trends established and report produced for quarter	100% of registered complaints analysed, trends established and report produced for quarter	100% of registered complaints analysed, trends established and report produced for quarter	100% of registered complaints analysed, trends established and report produced for quarter. Quarterly reports consolidated and annual report produced and approved by Commissioner

Goal/ Outcome	Output	Performanc e Indicator/ Measure	Baseline Info	2016/17 Annual Target	Quarterly Milestones			
					1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Facilitate a consumer protection environment that is well coordinated and responsive to consumer needs.	19. Stakeholder relations promoted	Number of meetings with key stakeholders facilitated	2014/15 baseline	8 Meetings held with critical stakeholders including quarterly meetings with provincial consumer protection authorities	2 Meetings held with critical stakeholders including quarterly meetings with provincial consumer protection authorities	2 Meetings held with critical stakeholders including quarterly meetings with provincial consumer protection authorities	2 Meetings held with critical stakeholders including quarterly meetings with provincial consumer protection authorities	2 Meetings held with critical stakeholders including quarterly meetings with provincial consumer protection authorities
	20. Participation in key Conferences	Number of conferences attended and papers presented	2014/15 baseline	Participate in and or present papers in 3 national and 4 international Conferences - LAP - African Dialogue Conference - OECD - SADC	None	Participate in NRCS conference and compile a report	None	Participate in the following national conferences and compile reports: 1) World Retail Conference; 2) World Consumer Rights Day Conference;

Goal/ Outcome	Output	Performance Indicator/ Measure	Baseline Info	2016/17 Annual Target	Quarterly Milestones			
					1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Conduct research and propose policy changes to the Minister in relation to any matter affecting the supply of goods and services, that would improve the realization and full enjoyment of consumer rights;	21. Research conducted, trends analysed and information and knowledge managed.	Number of research reports completed and issued to Minister	2013/14 baseline	Compilation of an Affordability Index to measure the level of affordability of particular goods and services in the Republic.	Terms of reference for the following research developed and presented to EXCO and approved. (to be determined)	Appointment of service provider to conduct research. Research commenced ; Progress reports produced on research project	All Research concluded. One Draft research report prepared and presented to EXCO for inputs.	One Research report finalized; signed off by the Commissioner and submitted to Minister

17.5 Financial Plan (Expenditure estimates for programme 4)

Research, advocacy and empowerment of participants in the consumer market							
Economic classification	Expenditure outcome			Adjusted Appropriation	Medium-Term Expenditure Estimate		
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
Compensation of employees	2 246	2 805	3 233	5 836	6 346	6 697	7 067
Goods & services	2 592	1 687	2 105	1 870	1 548	1 619	1 709
Total expenditure	4 838	4 492	5 338	7 706	7 894	8 316	8 776

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::

- Annual asset verifications are being performed on an annual basis, 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 and a security / access control system is planned for the medium term, whereas certain redundant and damaged furniture 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 Risk Management and Fraud Prevention Plan

The approved anti- fraud and corruption policy is attached hereto marked **Annex "A"**

3.1 Risk Management Process

The approved Risk Management Strategy is attached hereto marked **Annex "B"**

3.2 Risk Strategy

The strategic risk register is attached herewith marked **Annex "C"**. 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 is currently being developed.

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 "D"**