






NATIONAL CONSUMER COMMISSION

NATIONAL CONSUMER COMMISSION

QUARTER ONE REPORT 2024-2025





Endorsement by the Company Secretary		Endorsement Supported by the Audit Committee	
I hereby recommend the report for endorsement.		I hereby support the endorsement of the report.	
Signature: 		Signature: 	
Name: Joseph Selolo		Name: Mr Faizal Docrat	
Rank: Company Secretary		Rank: ARC Chairperson	
Date: <u>30/07/2024</u>		Date: <u>30/07/2024</u>	
Approval by the Accounting Authority			
I hereby approve the report.			
Signature: 			
Name: Mr Hardin Ratshisusu			
Rank: Acting Commissioner			
Date: <u>30/07/2024</u>			



ACRONYMS

ARC	Audit and Risk Committee
CPA	Consumer Protection Act
CTFL	Clothing, Textile, Footwear and Leather goods
NCC	National Consumer Commission
NCT	National Consumer Tribunal
ICT	Information Communication Technology
the DTIC / Executive Authority	Department of Trade, Industry, and Competition
MIOSA	Motor Industry Ombud of South Africa
CGSO	Consumer Goods and Services Ombud
ADRA	Alternate Dispute Resolution Agent
ADR	Alternative Dispute Resolution
ERM	Enterprise Risk Management
AOPO	Audit of Predetermined Objectives
SCM	Supply Chain Management
HRM	Human Resource Management
DRP	Disaster Recovery Plan
NRCS	National Regulator for Compulsory Standards
CompCom	Competition Commission



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NATIONAL CONSUMER COMMISSION

EXECUTIVE SUMMARY AND KEY HIGHLIGHTS

**QUARTER 1
2024-25**



1. INTRODUCTION

1.1 This report constitutes the National Consumer Commission's (NCC) performance results for the first quarter (Q1) of the 2024/25 financial year (01 April 2024 to 30 June 2024). The NCC has a total of 11 performance targets in the 2024/25 Annual Performance Plan (APP), all these targets were applicable in Q1. The NCC met 9 targets, exceeded 3 of these, and did not meet 2. Therefore, the NCC achieved a performance score of 82% against the Q1 APP targets.

2. KEY HIGHLIGHTS

2.1 Enforcement: Market inspections and product recalls.

2.1.1 The NCC embarked on compliance inspections to ensure that unsafe and expired goods are removed from the shelves in Seshego, Mankweng, Turfloop, Lebowakgomo and Polokwane in Limpopo. The non-compliant goods were duly removed from the shelves and confiscated. These included baby food, sweets, cool drinks, noodles, snacks, tinned foodstuff, juices, and other consumables. These items had the potential of causing harm and compromising the health of consumers. The NCC will be continuing with these inspections in other provinces.

2.1.2 The NCC has administered 17 product recalls in this quarter. These are administered to ensure that consumers receive goods that are of good standard, free of defects and safe for public consumption.

2.2 The dtic Outcome 40: High-Impact Measures to reduce Red Tape or improve Turnaround times in the administration of Incentives and work of Agencies.

2.2.1 The NCC has established an eService System for the digital filing and administration of complaints.

2.2.2 The eService System currently has 7916 consumer profiles created since the system was established in 2023/24 financial year. In this quarter, 2421 consumer profiles have been created and a total of 1338 complaints were filed in the system in this quarter.

2.3 The NCC received a total of 1338 complaints in this quarter. 621 complaints were non-referred for various reasons including no jurisdiction, no identifiable contravention of the Consumer Protection Act (CPA) and non-traceability of the supplier. The NCC will intensify the consumer education programmes to ensure that consumers understand the NCC operations.

2.4 The dtic Output 32: Documented cases of consumers impacted by the NCC activities.

2.4.1 The NCC through its investigation and enforcement activities, has obtained redress to consumers in the amount of **R2 396 903.20** (two million three hundred and ninety-six thousand nine hundred and three rands and twenty cents) in this quarter.

2.4.2 In this Quarter, administrative fines to the value of R **R262 500.00** (two hundred and sixty-two thousand and five hundred rand) were levied by the National Consumer Tribunal (the NCT), following prosecutions by the NCC.

2.5 The Contribution to the Action Plan on South Africa's Greylisting

In this quarter, the NCC obtained (through the NPA's Asset Forfeiture Unit) preservation orders to the tune of **R 5 300 00.00** (five million and three hundred thousand rand) against 1 Ponzi scheme and 1 Fraudulent Financial Transaction scheme.



NATIONAL CONSUMER COMMISSION

SECTION B

PERFORMANCE AGAINST APP

**QUARTER 1
2024/25**



3. PERFORMANCE BY FUNCTION

3.1 INVESTIGATION AND ENFORCEMENT FUNCTION

3.1.1 These functions are performed by the Investigations Division and the Legal Services. Between them, they are accountable for 7 indicators being indicators 5,6,7,8,9,10 and 11. Of the 7 indicators, 5 were met in this quarter.

3.1.2 A total of 136 investigations were completed in this quarter and 27 of these were settled during the investigations earning redress for consumers in the amount of **R1 200 467, 68** (one million two hundred thousand, four Hundred and sixty-seven rand and sixty-eight cents), Table 1 below illustrates these matters.

Table 1: Redress to consumers during investigations

	NCC CONSUMER REF	SUPPLIER	SUMMARY	AMOUNT (R, c)
1	01914	Reliable Store	The consumer ordered goods (Sausage stuffer, Stainless Steel Homemade Sausage Maker Vertical Meat Filling Kitchen Machine) from the supplier. The consumer never received his goods, despite several correspondences sent to the supplier. Through NCC intervention, the supplier refunded the consumer.	R1,195-99



	NCC CONSUMER REF	SUPPLIER	SUMMARY	AMOUNT (R, c)
2	01776	Reliable Store	The consumer ordered External Hard Drive (1TB 2.5 TB from the supplier). The total cost of the goods was R644,99. However, the goods were delivered two months after the goods were ordered and were found to be defective. Through NCC intervention, the supplier refunded the consumer.	R644-99
3	No Reference Number	Motus Ford Cape Town	The consumer took the vehicle to the supplier for service, and he was informed that his service plan would not cover the costs and he had to pay out of pocket. He took the vehicle elsewhere and paid. He approached the NCC to seek redress. Upon NCC intervention the supplier decided to refund the consumer an amount of R4500,00.	R4, 500-00



	NCC CONSUMER REF	SUPPLIER	SUMMARY	AMOUNT (R, c)
4	CC2023/10/0246	VOX	The consumer entered into a 24-month contract with the supplier which came to an end. The supplier had been debiting the consumer's account for 48 months after the contract had ended. The supplier failed to refund the consumer. Through the intervention of the Commission, the supplier refunded the consumer an amount of R1 863,24.	R1, 863-24
5	cc2023/11/0970	Telkom	the consumer's monthly subscription was R722.00, but that Telkom deducted R2000.00 from his bank account. The consumer requested a refund. The supplier failed to refund the consumer. Through the intervention of the commission, the consumer was refunded an amount of R911.91.	R911-91



First Quarter Report

	NCC CONSUMER REF	SUPPLIER	SUMMARY	AMOUNT (R, c)
6	cc2023/11/0537	Telkom Mobile	The consumer cancelled the contract. Telkom refused to cancel. through the intervention of the commission, the supplier refunded the consumer an amount of R198.00.	R198-00
7	CC2023/11/0606	Phonetrader (Pty) Ltd	The consumer requested a cancellation and a refund. The supplier failed to cancel and refund the consumer. Through the intervention of the Commission, the supplier refunded the consumer an amount of R8 055.00	R8, 055-00
8	CC2024/04/3354043	Telkom	The consumer was paying monthly insurance premiums for his mobile devices and that he was not aware that he had taken out an insurance policy. The consumer wanted a cancellation of the contract and the premiums to be refunded. The supplier failed to cancel and refund the consumer. Through the intervention of the Commission, the supplier refunded the consumer an amount of R3 279.15	R3, 279-15



	NCC CONSUMER REF	SUPPLIER	SUMMARY	AMOUNT (R, c)
9	CC2024/04/3349061	Cell C	The supplier continued debiting the consumers account deducted even after the contract was paid in full. The supplier failed to refund the consumer. Through the intervention of the Commission, the supplier refunded the consumer an amount of R1039.38	R1, 039-38
10	CC2023/10/0436	Vodacom	The consumer overpaid the supplier when he settled the account. The supplier failed to refund the consumer. Through the intervention of the Commission, the supplier refunded the consumer an amount of R9501.94	R9, 501-94
11	cc2024/04/3355062	Vodacom	the consumer had been overcharged her from December 2023 to May 2024. Through the intervention of the commission, the supplier refunded the consumer an amount of R3 301,12	R3, 301-12



REPUBLIC OF SOUTH AFRICA

First Quarter Report

	NCC CONSUMER REF	SUPPLIER	SUMMARY	AMOUNT (R, c)
12	00549	Impala Lodge	The consumer made a booking for accommodation for 15 people and paid R17 340 to the supplier. A day before the check in date, the supplier informed the consumer that there was a double booking for the same dates. The consumer was also informed to either cancel their booking or to move to a smaller unit than the one that the consumer had paid for. Through the intervention of the Commission the supplier agreed to refund the consumer R7 320-00.	R7, 323-00
13	01425	Baarden Tyres / Tyres.co.za	The consumer purchased tyres from the supplier. The supplier failed to deliver the goods, in accordance with the agreement. The supplier failed to refund the consumer despite his repeated commitments or promises during the investigation. The supplier sent an email committing to refund the consumer on the 7th of June 2024.	R2, 442-00



GENERAL INVESTIGATIVE DIVISION

First Quarter Report

	NCC CONSUMER REF	SUPPLIER	SUMMARY	AMOUNT (R, c)
14	00728	Kwane Timbers	The supplier failed to deliver the goods in accordance with the agreement. The supplier during the investigation period, committed to refund the consumer over 6 months, in equal instalments	R60, 000-00
15	01051	Sunpower Solar	The consumer purchased three solar panels and a new Pylontech UP5000 battery at an amount of R33 970.00, the battery that cost an amount of R26 800.00, was defective. After intervention by the NCC the supplier refunded the purchase price to the consumer.	R26, 000-00
16	12/11/10-23/02359	Nissan Milnerfont	The supplier sold the consumer a defective vehicle. The was later booked in for diagnosis, and an amount of R1,448-95, was paid towards the issued report. The supplier has refunded the consumer money paid for the report.	R1, 448-95



	NCC CONSUMER REF	SUPPLIER	SUMMARY	AMOUNT (R, c)
17	02486	Remax Pavillion	The consumer purchased a balance wheel (hoverboard) on 20 May 2021 with an amount of R2500.00. The hoverboard stopped working due to a motor error. The supplier advised that the motor was repaired, and the consumer must pay an amount of R600.00 for the repairs. After an investigation, the supplier refunded the consumer an amount of R600.00.	R600-00
18	12/1/1/08-23/01751	Afri Wheels	The supplier sold a defective vehicle for R340, 000-00. during the investigation the supplier refunded the consumer R280 000 upfront and undertook to pay the balance in instalments of R60, 000-00 over 6 months.	R280, 000-00
19	12/1/1/06-22/00973	Kia Brackenfell	Vehicle manifested defects for R491, 262-33. Consumer elected cancellation. Through the intervention of the NCC during investigation, the supplier cancelled and refunded the consumer the purchase price less cost of usage	R317, 400-00



	NCC CONSUMER REF	SUPPLIER	SUMMARY	AMOUNT (R, c)
20	12/1/1/07-23/01176	We Buy Cars	Vehicle broke down within few weeks of purchase. Supplier repaired it and it broke down a few days later. Consumer elected cancellation and refund. During the NCC, supplier refunded the consumer the purchase price	R96, 548-00
21	12/1/1/09-23/02024	Omars Auto City	Supplier sold consumer defective vehicle. They replaced defective vehicle during the process of investigation, with equivalent vehicle	R330, 157-00
22	12/1/5/07-23/01373	Gale Store	Supplier failed to deliver custom-made suit to consumer. Consumer cancelled and sought refund. During NCC investigation the supplier refunded consumer	R5, 390-00
23	12/1/8/08-23/01521	Banana Beach	Supplier was imposing a Cancellation Penalty to cancel a Timeshare Contract. During NCC investigation, supplier waived it (Penalty) completely during the investigation	R18, 370-00
24	12/1/1/12-22/02897	Raceview Motors	Supplier sold consumer a vehicle that manifested defects. During investigation supplier refunded the consumer monies spent on repairs	R2, 850-00



NCC CONSUMER REF	SUPPLIER	SUMMARY	AMOUNT (R, c)
25	ABC SWEETS	The consumer purchased expired goods from the supplier. Upon returning the goods, the supplier refused to refund. During the investigation, the supplier admitted liability and exchanged the expired goods with fresh goods.	R44-95
26	Squad Cars Motor Group	The supplier refunded the consumer the amount that she used to repair the defects on the vehicle	R4,000-00
27	Baarden Tyres	The supplier agreed to refund the consumer the purchase price for the tyres he purchased online, that were never delivered	R12, 000-00
TOTAL			R1, 200, 467-68

3.1.3 In this quarter Compliances Notices to the value of **R1 680 975.00** (one million and six hundred and eighty thousand and nine hundred rand) were issued to effect that non-compliant imported goods be destroyed or returned to country of origin.

3.1.4 Thirteen (13) new matters were referred to the NCT and twelve (12) Matters were argued at NCT. Three (3) judgements in favour of the NCC were issued and there were two (2) settlement agreements.



3.1.5 From the five (5) matters received by the NCT in favour of the NCC, a total of **R262 500.00** (two hundred and sixty-two thousand and five hundred rand) in administrative fines were levied and redress to consumers amounted to **R1 196 435.52** (one million and one hundred and ninety-six thousand and four hundred and thirty-five and fifty two cents), these matters are described below:

i) NCC V WINGFIELD MOTORS

Wingfield Motors refused to refund the purchase price for a vehicle that proved to be defective. The NCC investigated the matter and concluded that Wingfield Motors had contravened the CPA, and the matter was prosecuted at the NCT. The NCT ruled in favour of the NCC and ordered Wingfield to refund the purchase price of **R568 000,00** (five hundred and sixty eighty thousand rand) and to pay an administrative penalty of **R50 000,00** (fifty thousand rand).

ii) NCC V SANDTON REPO CARS

Sandton Repo Cars supplied, to a consumer, a defective car and refused to refund the consumer. The NCT ordered Sandton Repo Cars to refund the consumer the amount of **R459 900** (four hundred and fifty-nine thousand and nine hundred rand) and imposed an administrative penalty of **R100 000** (one hundred thousand rand).

iii) Hanmon international

The NCT referral stemmed from the importer's failure to comply with a compliance notice regarding detained non-compliant goods. After presenting arguments before the NCT, the importer was ordered to pay an administrative fine amounting to **R50,000** (fifty thousand rand) not complying with the Compliance Notice.



iv) Orbit Import and export (Settlement Agreement)

The NCC issued a compliance notice to the importer and subsequently referred the case to the NCT due to the supplier's non-compliance with the notice. After receiving the referral documents, the supplier proposed settling the matter outside the NCT, which the NCC accepted. A settlement agreement was reached, wherein the supplier agreed to export the goods and pay an administrative fine of **R2500** (two thousand and five hundred rand).

v) LDR Engines & Gearbox

The NCC received a complaint from a consumer seeking a refund for a defective engine purchased. After concluding its investigation, the NCC referred the matter to the NCT. The Respondent subsequently submitted a Replying Affidavit and on June 26, 2024, proposed a settlement agreement, agreeing to pay an administrative fine of **R60,000.00** (sixty thousand rand) and a refund of **R63,530.69** (sixty-three thousand five hundred and thirty rand and sixty-nine cents) to the consumer.

3.1.6 The Contribution to the Action Plan on South Africa's Greylisting

- i) The NCC contributes to Immediate Outcomes (IO) number 07 (IO7) and 08 (IO8) of the Action Plan on South Africa's Greylisting. IO7 requires South Africa to demonstrate "a sustained increase in investigations and prosecutions of serious and complex money laundering, in particular involving professional money laundering networks/enablers and third-party ML in line with its risk profile."
- ii) IO8 requires South Africa to "enhance its identification, seizure and confiscation of proceeds and instrumentalities of a wider range of predicate crimes, in line with its risk profile."



iii) In this Quarter, the NCC investigated the following two schemes involved in predicate offences, being:

a. **Piggy Farm Trading**

In this scheme, consumers invested R2 750 (two thousand and seven hundred and fifty rand) for a virtual pig and were guaranteed a return on investment of R6 600 (six thousand and six hundred rand). The NCC investigation revealed that this scheme is a Ponzi scheme which the CPA outlaws. The NCC obtained, through the NPA's Asset Forfeiture Unit, a preservation order in the amount of **R4 300 000** (four million three hundred rands) pending the finalisation of the investigation.

b. **Grosavestokvel**

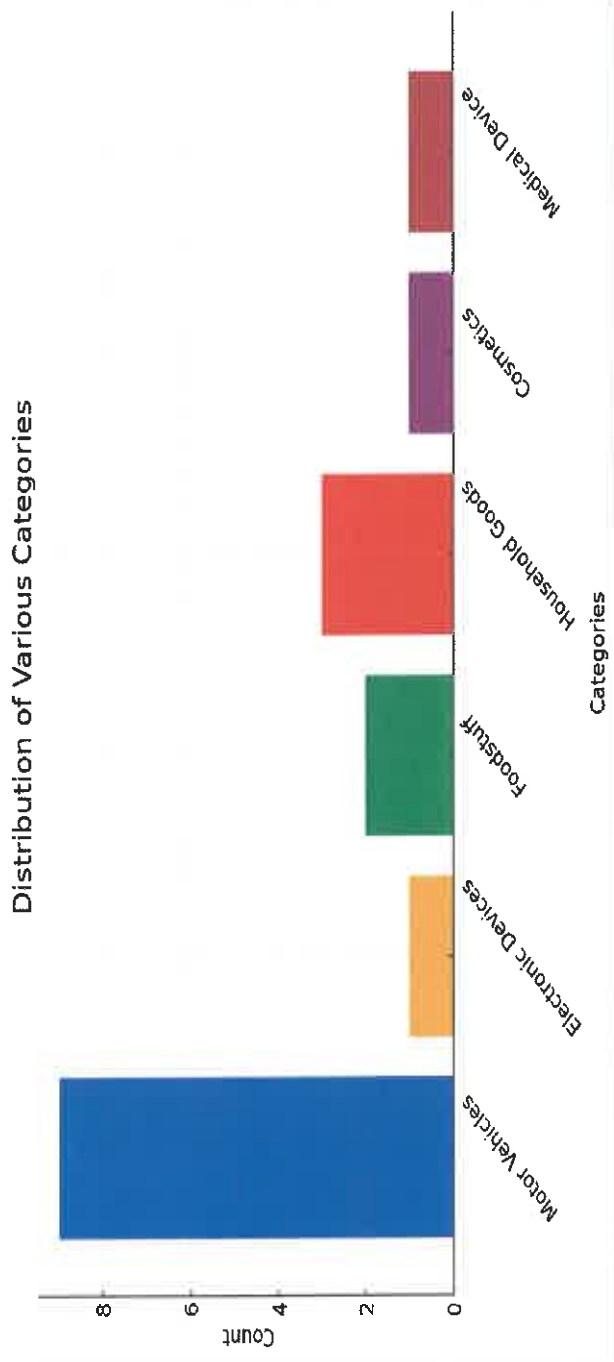
Then NCC ongoing investigations into Piggy Farm Trading revealed that the operators of Piggy Farm Trading, upon being served with the above-mentioned preservation order, devised a stokvel called Grosavestokvel. Grosavestokvel was a scheme designed to carry-on the unlawful activities of Piggy Farm Trading and to conceal or disguise the nature, location, source of ownership or control of the proceeds of Piggy Farm Trading. This constitutes what is called a fraudulent financial transaction in terms of the Consumer Protection Act. The NCC requested the NPA to seek a preservation order and this was granted by the North Gauteng High court in the amount of **R1000 000** (one million rand).

The investigation into Piggy Farm Trading and Grosavestokvel are now completed, and the enforcement will commence in quarter 2.

3.1.7 Product recalls

- i) 17 product recalls were administered during this quarter. Figure 1 below represents the distribution of different categories: Motor Vehicles, Electronic Devices, Foodstuff, Household Goods, Cosmetics, and Medical Devices.

Figure 1: Product recalls by categories



- ii) Table 2 contains the details of the product recalls:



Table 2: Detailed product recalls

ITEM	NAME OF SUPPLIER	PRODUCT	DEFECT	HAZARDS
1.	Suzuki Auto South Africa (Pty) Ltd	Suzuki JIMNY (A6G415)	Possible fuel pump impeller swelling.	Loss in engine power or non-start during start up.
2.	Marcel's Gourmet Frozen Yoghurt (Pty) Ltd	Marcel's Frozen Yoghurt Peanut Butter 175ml	The production batch: 16.11.23 tested out of specification for aflatoxins.	Chemical: Aflatoxins.
3.	Thule AB	Thule RideAlong	The harness padding of the Thule RideAlong bike seats can contain flame-retardant DecaBDE in excess of regulatory limits, posing a chemical hazard.	DecaBDE can be toxic if it's ingested or comes into contact with skin or eyes.
4.	Stellantis Africa	Jeep Takata Passenger Airbag Inflator	The passenger airbag inflator may rupture during airbag deployment phase.	The rupturing of the airbag inflator may lead to metal fragment(s) which could lead to serious injury or possibly death.
5.	Mercedes-Benz South Africa Limited (9190101)	Mercedes-Benz Model GLE (167)	On certain GLE and GLS (167 platform) vehicles, the 48V ground connection under the passenger seat might have come loose.	Risk of fire.
6.	Mercedes-Benz South Africa Limited (5499117)	Mercedes-Benz Model CLA (118), A-Class(177), EQA/EQB(243), GLB(247)	The fallback level of the steering software may not correspond to the specifications in certain CLA (model series 118), A-Class (model series 177), EQA/EQB (model series 243), and B-	Power steering may be impaired and a loss of steerability cannot be ruled out, which would increase the risk of accident and injury.



Stellantis South Africa

First Quarter Report

ITEM	NAME OF SUPPLIER	PRODUCT	DEFECT	HAZARDS
7.	Mercedes-Benz South Africa Limited (8297011)	Mercedes-Benz C-Class (206 platform), E-Class (214 platform), S-Class (223 platform), SL (232 platform), CLE (236 platform), EQE SUV (294 platform), EQE (295 platform), EQS SUV (296 platform) and EQS (297 platform) vehicles, the 80A fuses installed might not meet requirements.	Class/GLA/GLB (model series 247) model series right-hand drive vehicles. Certain C-Class (206), E-Class (214), S-Class (223), SL (232), CLE (236), GLC (254), EQE SUV (294), EQE (295), EQS SUV (296) and EQS (297) vehicles, the 80A fuses unfortunately may not correspond to the requirements.	The vehicle might lose its propulsion without pre-warning, restraint functions or the instrument cluster might be impaired.
8.	Schneider Electric South Africa	APC Symmetra PX 9Ah Battery Unit	An internal battery nonconformance that may lead to localized overheating of the battery module assembly and adjacent components.	In cases where overheating occurs, there may be smoke, soot and thermal damage so that the potential for property damage and bodily injury may exist.
9.	Stellantis Africa	Takata (Driver & Passenger Airbag Inflator) for Citroen vehicles	The driver and passenger airbag inflator may rupture during airbag deployment phase.	The high energetic deployment of the inflator may lead to metal fragment(s) detaching from bursting inflator and these parts could fly in the direction of the driver/occupants in the vehicle, capable



ITEM	NAME OF SUPPLIER	PRODUCT	DEFECT	HAZARDS
10.	Chery International (Pty) Ltd	Chery Tiggo 4 Pro CVT	Dislodgement of rear axle.	of causing serious injury or possibly death in a worst-case scenario. Injury or severe damage.
11.	Massmart	Trojan (Boxing bag / Punching Bag)	The supplier would like to recall Trojan punching bags bought by customers from Game and Makro from the 19th of January 2024 after receiving a customer complaint of a foreign metal object.	Possible injury to consumer.
12.	Woolworths (Pty) Ltd	Country road two-tone demm mug	A manufacturing defect have been identified in certain mugs, causing the mug to unexpectedly break when hot liquid is poured into it, resulting in the base separating from the body of the mug. The presence of bacteria.	Possibility of risk of injury. The risk of infection.
13.	L'Oréal South Africa (Pty) Ltd	Dark and lovely Moisture Plus Kit (regular and super) plus and Dark and Lovely Anti Breakage Kits (50ml Single-Use Neutralising Shampoo)		
14.	Ford Motor Company of Southern Africa (Manufacturing) (Pty) Ltd	23B89 – Ranger - Cylinder Head inspection	Some of the affected motor vehicles have been manufactured with a cylinder head that could potentially be partially blocked.	If the cylinder head is partially blocked, the coolant flow could be compromised which can lead to the heater not functioning and in some circumstances the Engine Overheating Malfunction



ITEM	NAME OF SUPPLIER	PRODUCT	DEFECT	HAZARDS
15.	Homechoice	Trilogy	The mains lead is too long and does not have a heat resistant sleeve on it.	Indicator Light (MIL) being displayed in the instrument cluster. The potential fire hazard, electricity tripping and electric shock.
16.	Abbott Laboratories	Ensure Gold Plant-Based Almond Flavour Nutritional Supplement	The language "Not suitable for milk allergy" and "May contain milk" was not included on the label for the impacted lots in South Africa. The product is made in a manufacturing facility that processes dairy/milk products and therefore traces of milk protein may be found in the product.	The consumers/people who have allergies to milk may be at risk of an adverse reaction if they consume product from these lots.
17.	Mercedes-Benz South Africa Limited	Mercedes-Benz Model EQ	The software of the battery management system in certain vehicles of model series EQE SUV (BR 294), EQE (BR 295), EQS SUV (BR 296) and EQS (BR 297) could lead to deactivation of the high-voltage system in specific situations.	As a result, an unannounced loss of propulsion cannot be ruled out, which could increase the risk of an accident

3.2 EDUCATION AND AWARENESS

The Education and Advocacy Division is accountable for 2 indicators which were achieved. In this quarter, youth empowerment targeted workshops were held for youth from various schools at Mthibistat in Kuruman, and at Mossel Bay in the Western Cape. The workshops were consumer rights and responsibilities as enshrined in the Consumer Protection Act (CPA), 2008 (Act 68 of 2008) with special focus on **Right to fair, just and reasonable terms and conditions**.

Various communities across South Africa were reached during the period under review. Table 3 documents the areas and topics covered:

Table 3: Awareness programmes by province, district & topic

Province	District	Type/Name of Outreach	Attendants from the dtic group
Gauteng	Johannesburg Metro	City of Johannesburg Ombudsman - Citizen Information Clinics	NCC, NCR
KwaZulu-Natal	Ethekwini Metro	Consumer Education on "Defective goods, rights and recourse."	NCC, NCR
KwaZulu-Natal	Ethekwini Metro	Consumer Education on "Defective goods, rights and recourse."	NCC, NCR
KwaZulu-Natal	Ethekwini Metro	Consumer Education on "Defective goods, rights and recourse."	NCC, NCR
KwaZulu-Natal	Ethekwini Metro	Premier Imbizo Fighting Crime	NCC, NCR
KwaZulu-Natal	Ethekwini Metro	Consumer Education on "Defective goods, rights and recourse."	NCC, NCR
KwaZulu-Natal	Ethekwini Metro	Consumer Education on "Defective goods, rights and recourse."	NCC, NCR



Province	District	Type/Name of Outreach	Attendants from the dtic group
Eastern Cape	Baartman District Municipality	Consumer Education on "Defective goods, rights and recourse."	NCC, NCR
Eastern Cape	Baartman District Municipality	Consumer Education on "Defective goods, rights and recourse."	NCC, NCR
Gauteng	Johannesburg Metro	City of Johannesburg Ombudsman - Citizen Information Clinics	NCC, NCR
Eastern Cape	Baartman District Municipality	Consumer Education on "Defective goods, rights and recourse."	NCC, NCR
Eastern Cape	Baartman District Municipality	Consumer Education on "Defective goods, rights and recourse."	NCC, NCR
Gauteng	Tshwane Metro	Consumer Education on "Defective goods, rights and recourse."	NCC, NCR, the dtic
Free State	Thabo Mofutsanyana District	Consumer Education on "Non-Complaint Goods and Services"	NCC, NCR
Free State	Thabo Mofutsanyana District	Consumer Education on "Non-Complaint Goods and Services"	NCC, NCR
Free State	Thabo Mofutsanyana District	Consumer Education on "Non-Complaint Goods and Services"	NCC, NCR



Province	District	Type/Name of Outreach	Attendants from the dtic group
Free State	Thabo Mofutsanyana District	Consumer Education on "Non-Complaint Goods and Services"	NCC, NCR
Free State	Thabo Mofutsanyana District	Consumer Education on "Non-Complaint Goods and Services"	NCC, NCR
Northern Cape	John Taolo Gaetsewe District	Phunya Tsela Careers Fair	NCC, NCR, CIPC
Northern Cape	John Taolo Gaetsewe District	Consumer Education on "Defective goods, rights and recourse."	NCC
Northern Cape	John Taolo Gaetsewe District	Presidential Imbizo on DDM	NCC, B-BEE, CIPC, NEF, the dtic
Northern Cape	Frances Baard District	Department of Labour's Job Fair	NCC
North West	Dr Ruth Segomotsi Mompoti District	Consumer Education on "Contracts and The Consumer Protect Act"	NCC
North West	Ngaka Modiri Molema District	Consumer Education on "Contracts and The Consumer Protect Act"	NCC



Province	District	Type/Name of Outreach	Attendants from the dtic group
North West	Ngaka Modiri Molema District	Consumer Education on "Contracts and The Consumer Protect Act"	NCC
Gauteng	Tshwane	Consumer Education on "Contracts and The Consumer Protect Act"	NCC, NCR

3.3 INFORMATION COMMUNITATION TECHNOLOGY (ICT)

ICT was accountable for one (1) KPI (Available complaints handling e-Service System and Website Administration) in Q1. ICT met its target. The complaints handling e-Service had 97.61% availability and the website achieved a 99.52% availability. A total of 1338 complaints were filed in the system by in this quarter. These systems facilitate a speedy service, reduce red tape, and thus enable a capable state.



4. PROGRESS MADE AGAINST CURRENT QUARTERLY MILESTONES

Table 4 show progress made against current quarterly milestones.

Table 4: Quarterly performance against the APP

Output Indicator	Target for 2024/25 as per APP	Quarter One Target as per APP	Quarter One Actual Output	Reasons for Deviation	Corrective Action	Comments For Quarter One
1. Available complaints handling e-Service System and Website	eServices system for filing consumer complaints and implemented Website	95% availability for complaints handling e-Service System and Website	Achieved 98.57% average availability for complaints handling e-Service and Website was achieved against 95% target.			
2. Documented cases of NCC's impact	60 documented cases of impact by the NCC activities	15 documented cases of impact by the NCC activities	Achieved 37 cases of impact by the NCC were documented			
3. Number of Consumer education and awareness programmes conducted	384 education awareness programmes conducted	100 education awareness programmes conducted	Achieved 189 Consumer Education initiatives were conducted through various media platforms	There was an increase in the media statements issues and well	N/A	None



HEALTH RESEARCH COMMISSION

First Quarter Report

Output Indicator	Target as per APP 2024/25	Quarter Target as per APP	Quarter One Actual Output	Reasons for Deviation	Corrective Action	Comments For Quarter One
4	30 education programmes conducted	10 education programmes conducted.	Achieved 11 business education programmes conducted.	as media interviews conducted on the work of the NCC There was one (1) additional one ad-hoc opportunity to conduct business education programme	N/A	None
5	Reports on all product recalls administered produced	Produce 4 product recall reports on the administration of the product recalls	Achieved Produced One (1) product recall report on the administration of the product recalls			
6	100% of CTFL investigations, approved from the 1st of March 2024 to the	100% of CTFL investigations, approved from the 1st of March 2024 to the	Achieved 100% (25 of 25) CTFL investigations approved from the 1st of March			8 other CTFL investigations were approved in June



REGULATORY SERVICES CORPORATION

First Quarter Report

Output Indicator	Target for 2024/25 as per APP	Quarter Target as per APP	Quarter One Actual Output	Reasons for Deviation	Corrective Action	Comments For Quarter One
28th of February 2025, were conducted and completed by the 31st of March 2025	end of the 31st of March 2025.	31st of May 2024, were conducted and completed by 30th of June 2024	2024 to the 31st of May 2024, were conducted and completed by 30th of June 2024			and finalised in June
7 Enforcement action taken against non-compliant CTFL importers on matters approved from 1st of March 2024 to the 28th of February 2025 by the 31st of March 2025	Enforcement action taken against 100% of non-compliant CTFL importers by the end of the 31st of March 2025	Enforcement action taken against 100% of non-compliant CTFL importers on matters approved from the 1st of March 2024 to the 31st of May 2024 by 30th of June 2024	Achieved 100% (5 out of 5) of enforcement papers on assessment report (CTFL) approved for enforcement during the 1 st day March 2024 and last day of June 2024 were drafted, approved, and filed with the NCT or issued			
8 Number of investigations conducted and completed into unfair, unreasonable, or unjust prices of goods	10 investigations conducted and completed into unfair, unreasonable or unjust prices of goods or services by	2 investigations conducted and completed into unfair, unreasonable, or unjust prices of goods	Achieved Two (2) investigation conducted and completed into unfair, unreasonable, or unjust prices of goods			



Output Indicator	Target for 2024/25 as per APP	Quarter Target as per APP	Quarter One Output	Reasons for Deviation	Corrective Action	Comments For Quarter One
or services by the 31st of March 2025	the 31st of March 2025	or services by the 30 June 2024.				
9 Number of enforcement actions taken against suppliers who supply goods or services at a price that is unfair, or unreasonable, or unjust by the 31st of March 2025	10 enforcement actions taken against suppliers who supply goods or services at a price that is unfair, or unreasonable, or unjust by the 31st of March 2025	2 enforcement action taken against suppliers who supply goods or services at a price that is unfair, or unreasonable, or unjust by the 30 June 2024	Not Achieved No enforcement action was taken against suppliers who supplied goods or services at a price that is unfair, unreasonable or unjust by the 30 June 2024.	The suppliers in matters that were earmarked for enforcement have subsequently complied.		
10 % of investigations, approved from the 1st of January 2024 to the 31st of December 2024, were completed by the 31st of March 2025.	Conduct complete, 90% of complaints approved for investigation from the 1st of January 2024 to the 31st of December 2024	90% of investigations, approved from the 1st of January 2024 to the 31st of March 2024, were conducted and completed by 30th or before June 2024	Not Achieved 80.16% (101 of 126) of Investigations approved from the 1st of January 2024 to the 31st of March 2024, were conducted and finalised	25 Investigations were not finalised 12 were referred for tracing 13 are still ongoing		



Output Indicator	Target 2024/25 as per APP	for per APP	Quarter Target as per APP	One APP	Quarter One Actual Output	Reasons for Deviation	Corrective Action	Comments For Quarter One
11	Enforcement action taken in 95% of assessment reports approved for enforcement from the 1st of January 2024 to the 31st of December 2024, by the 31st of March 2025	Enforcement action taken in 95% of assessment reports approved for enforcement from the 1st of January 2024 to the 31st of December 2024, by 31st of March 2025	Enforcement action taken against 95% of non-compliant suppliers on matters approved 1st of January 2024 to the 31st of March 2024, by or before 30th of June 2024	One APP	Achieved 100% (8 out of 8) referral/enforcement papers on assessment reports (conventional) approved for enforcement between the 1st and the last day of quarter four of 2023/2024 financial year were drafted, approved and filed or issued.			



NATIONAL CONSUMER COMMISSION

SECTION C

RISK MANAGEMENT

QUARTER 1
2024-25



5. PROGRESS ON ACTIONS IN THE RISK REGISTER

Table 5 shows progress on actions in the risk register.

Table 5: Risk register

N0	Risk Description	Risk Treatment Plan Required	Responsible Person	Progress on Risk Treatment Plan	Residual Rating on Q1
STR 1	Cyber attacks	<ol style="list-style-type: none"> 1. Regular monitoring and review of cybersecurity controls. 2. Regular cybersecurity awareness training. 3. Regular review of systems and infrastructure licenses. 4. Establishment of ICT Change Control Board (CAB). 	CIO	<p>Monthly review of cybersecurity controls reviewed and summarized into the Cybersecurity posture reports. April, May and June consolidated Q1 cybersecurity reports produced by the Systems Administrator: Cybersecurity</p> <p>Brown bag session held, phishing simulation conducted, and Mimecast Cybersecurity video sent to staff. Backend infrastructure license status was included in the Manco and ICT Governance Steering Committee report.</p>	High



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N0	Risk Description	Risk Treatment Plan Required	Responsible Person	Progress on Risk Treatment Plan	Residual Rating on Q1
STR 2	Inadequate National footprint to educate consumers and business.	<ol style="list-style-type: none"> 1. Annually review of business and consumer strategy. 2. Self-initiated workshop 3. Use of media (social, print, electronic, webinars) platforms. 4. Customised presentation to relevant target audience. 	Divisional Head: Education and Advocacy	<p>ICT Change Advisory Board (CAB) terms of reference reviewed and submitted for recommendation for approval by the ICT Governance Steering Committee. CAB is to be constituted after the approval of TORs</p> <ol style="list-style-type: none"> 1. Business and strategy have been reviewed and in place. 2. Self-initiated workshops were conducted accordingly 3. Various media platforms were used to disseminate information 4. Customised presentations on various topics were presented to various target audience 5. Some workshops were conducted in collaboration with 	Medium



N0	Risk Description	Risk Treatment Plan Required	Responsible Person	Progress on Risk Treatment Plan	Residual Rating on Q1
		<ul style="list-style-type: none"> 5. Collaboration with internal and external stakeholders. 6. Evaluation forms to measure impact. 7. Partnership with institutions of higher learning. 		<ul style="list-style-type: none"> internal and external stakeholder 6. Evaluation form was developed 7. 4 MoU are in place with institutions of higher learning to strengthen the partnerships 	
STR 3	Delayed recalls of unsafe product by suppliers	<ul style="list-style-type: none"> 1. Investigate and Prosecute the Suppliers who delays notification 	Senior Manager Investigation	No formal time assessment of the 17 notifications was conducted	High



6. PROGRESS AGAINST INTERNAL AUDIT FINDINGS MATRIX

Table 6 shows the progress against internal audit findings.

Table 6: Internal Audit Matrix

No.	Audit Findings	Audit Description	Finding	Auditors' Recommendation	Implementation period		Management Action	Responsible Manager	Progress Made	Status
					Due Date	Completed Date				
1.	Non-Compliance Quotation Advertise ment Duration	During our audit review, we noted that two (2) out of twenty-eight (28) i.e.: 7.1% of quotations sampled were not advertised for 7 working days and there was no deviation approved requiring the days to be shortened.	Management should implement strict adherence to the standard duration of seven working days for advertisement of price quotations unless a deviation is approved.	Immediate	1 May 2024	In urgent cases the reasons for advertising shorter periods than stated in the policy will be documented.	ACFO	SCM is adhering to the requirement to place advertisements for RFQs for seven days. Where it is not possible, deviations from the policy	Findings still on monitoring.	



No.	Audit Findings	Audit Description	Finding	Auditors' Recommendation	Implementation period		Management Action	Responsible Manager	Progress Made	Status (Open / closed)
					Due Date	Completed Date				
				appropriately documented and approved by relevant authorities. • Management should provide training and awareness sessions for procurement personnel on the importance of adhering to procurement guidelines and regulations.					requirement will be requested. The above does not apply to quotations obtained through an existing contract	
2.	Incorrect SBD6.1 form sent to suppliers for	During our audit review, we noted that one (1) out of twenty-eight (28) i.e. 3.6% of the quotations sampled, the incorrect SBD 6.1 form was sent to the bidders as part of the		<ul style="list-style-type: none"> Management should conduct a thorough review of procurement documentation to ensure consistency between the specifications provided to bidders and the 	Immediate	1 May 2024	To update templates for the applicable financial year will be stored in a centralised folder	ACFO	A central folder is kept by SCM officials with all the latest templates for Standard	Closed



No.	Audit Findings	Audit Description	Finding	Auditors' Recommendation	Implementation period		Management Action	Responsible Manager	Progress Made	Status (Open / closed)
					Due Date	Completed Date				
	completion	documents to be completed. The specification indicated that suppliers will be evaluated based on the preferential procurement regulation of 2022; however, the 2017 form was submitted and completed by the bidders. We also noted that the evaluation was done based on the preferential procurement regulation of 2022	to be completed. The specification indicated that suppliers will be evaluated based on the preferential procurement regulation of 2022; however, the 2017 form was submitted and completed by the bidders. We also noted that the evaluation was done based on the preferential procurement regulation of 2022	<p>evaluation criteria used in the bid evaluation process.</p> <ul style="list-style-type: none"> Management should enhance training and awareness among procurement personnel regarding procurement regulations, documentation requirements, and evaluation processes. Management should strengthen its quality assurance mechanisms to verify the accuracy and completeness of procurement 			accessible to SCM officials.		Bidding documents.	



No.	Audit Findings	Audit Description	Finding	Auditors' Recommendation	Implementation period		Management Action	Responsible Manager	Progress Made	Status
					Due Date	Completed Date				
				documentation before dissemination to bidders. <ul style="list-style-type: none"> Management should establish clear procedures for the review and approval of procurement documentation to mitigate the risk of errors or discrepancies. 						
3.	Discrepancies in BBBEE Preferential Claims Points Evaluation in	During our audit review, we noted differences between the points for preferential claims points for BBBEE for two (2) out of twenty-eight (28) ie: 7.1% of the quotations sampled. The differences		Management should implement standardized procedures and guidelines for evaluating preferential claims points to ensure consistency and fairness across all quotations.	Immediate	1 May 2024	Preparation, review and sign off by all parties on the detailed schedule for equity points.	ACFO	The preferences are recalculated by all relevant officials in the line of recommendation. The officials	Closed



No.	Audit Findings	Audit Description	Finding	Auditors' Recommendation	Implementation period		Management Action	Responsible Manager	Progress Made	Status (Open / closed)
					Due Date	Completed Date				
	Quotations	noted did not change the outcome of the recommended service provider awarded		<ul style="list-style-type: none"> Management should provide training and guidance to procurement personnel involved in the evaluation process to ensure accurate application of evaluation criteria. Management should establish mechanisms for independent verification or review of evaluation outcomes to enhance accuracy and reliability. 					signed the recommendation reports for points calculation as evidence of review.	
4	Delayed Resolution and	There is no procedure/policy document addressing the		Management is urged to ensure timely updating of the	31/07/2024		Develop Performance, Planning and		Vetting the PME framework	



No.	Audit Findings	Audit Description	Finding	Auditors' Recommendation	Implementation period		Management Action	Responsible Manager	Progress Made	Status
					Due Date	Completed Date				
	Documentation Deficiency Of Standard Operating Procedure (Sop)	following components: a) Incorporation of Government Priorities into Short- and Medium-Term Plans. b) Establishment of Processes for Consolidated Recommendations. c) Enhancement of Planning Methodologies.	key	Standard Procedure (SOP). Operating			Monitoring Framework (PME) framework			(Open / closed)



First Quarter Report

No.	Audit Findings	Audit Description	Finding	Auditors' Recommendation	Implementation period		Management Action	Responsible Manager	Progress Made	Status
					Due Date	Completed Date				
			<p>d) Roles and Responsibilities Framework for Planning.</p> <p>e) Alignment Between Planning, Budgeting, Reporting, Monitoring, and Evaluation:</p> <p>f) Reporting Performance Information Using SMART Criteria.</p>							
5	Errors (Over and Under) Reporting of Outputs	During our audit review we noted that the following targeted KPI's for Q4 2023/24 achievement was		<ul style="list-style-type: none"> Enhance training and awareness programs for staff involved in data collection and reporting to ensure adherence to reporting guidelines. 			The reported information was be revised to read 23 CTFL investigations,	DH:CI		



No.	Audit Findings	Audit Description	Finding	Auditors' Recommendation	Implementation period		Management Action	Responsible Manager	Progress Made	Status
					Due Date	Completed Date				
	In The Q4 Quarterly Performance Report 2023/24	incorrectly recorded after our recomputation.		<ul style="list-style-type: none"> Implement robust internal controls and review mechanisms to detect and rectify discrepancies in reported data promptly. Foster a culture of transparency and accountability within the organization to encourage accurate reporting and compliance with performance targets. 			were approved during the period between the 1st of December 2023 and the 29th of February 2024, conducted and completed by the end of Q4.			(Open / closed)



NATIONAL CONSUMER COMMISSION

SECTION D

FINANCIAL REPORT

QUARTER 1
2024-25

7. FINANCE REPORT

7.1 Revenue for the Period

7.1.1 The NCC has an allocated budget for the financial year of R69 120 000.

7.1.2 The total amount of R41 742 000 was received in April 2024.

7.1.3 The funds not immediately required were invested in an interest-bearing account with the South African Reserve Bank (Corporation for public deposits) and interest to the value of R1 237 500 was earned as at the end of June 2024. Interest is slightly lower than expected because only 60% of the grants were received from **dtic**.

7.1.4 Table 7 below provides a summary of movements in revenue for the financial year against the budget.

Table 7: Summary of movements in revenue

Description of item	Annual Budget	Year to date budget	Year to date actual	Variance
Government grants	69,120,000	41,472,000	41,472,000	-
Interest income	4,950,000	1,237,500	924,434	313,066
Other Income	-	-	8,582	8,582
Total	74,070,000	42,709,500	42,405,016	304,484

7.2 Expenditure against the budget per economic classification

7.2.1 Table 8 below provides a high-level performance in terms of expenditure per economic classification.

Table 8: Expenditure vs. year-to-date budget

Description of item	Annual Budget	Year to date budget	YTD Actual expenditure	YTD Variance
Compensation of employees	50,854,306	12,713,578	12,110,060	603,518
Goods and services	23,059,694	6,261,423	5,628,746	632,678
Total	73,914,000	18,975,001	17,738,805	1,236,196

7.2.2 Compensation of employees indicates an underspending of R603 518. This is attributable to vacant posts between April and June 2024.

7.2.3 Goods and services expenditure is underspending by an amount of R632 678.

7.2.4 The reason for this variance is because some of ICT related services as well as water and electricity have not yet been invoiced by SABS.

7.2.5 The variance on goods and services does not translate to availability of excess funds.

7.3 Detailed Revenue and Expenditure Variances

The detailed explanation of variances is provided in table 9 below.

Table 9: Detailed Revenue and expenditure

Description	Approved Annual Budget	YTD Budget	YTD Actual	Variance	Variance (%)	Remaining Budget	Note (Variance explanation)
2024/25							
Government grants	69,120,000	41,472,000	41,472,000	0	0%	27,648,000	
Interest Income	4,950,000	1,237,500	924,434	313,066	25%	4,025,566	
Other Income			8,582	-8,582	100%	-8,582	
Revenue	74,070,000	42,709,500	42,405,016	304,484	1%	31,664,984	
Compensation of employees							
Salary & Wages	44,518,228	11,129,557	10,943,634	185,923	2%	33,574,594	
Social contributions	6,336,078	1,584,020	1,166,426	417,594	26%	5,169,652	
Total COE	50,854,306	12,713,578	12,110,060	603,517	5%	38,744,247	
Goods and services							
Audit Committee fees	415,000	103,750	132,080	-28,330	-27%	282,920	7.4.1
Advertising	200,000	50,000	23,427	26,573	53%	176,573	7.4.2
Assets <R5000	20,000	0	10,185	-10,185	-100%	9,815	7.4.3
External audit fees	1,100,000	700,000	672,822	27,178	4%	427,178	
Bank charges	43,000	10,750	8,806	1,944	18%	34,194	

Description	Approved Annual Budget	YTD Budget	YTD Actual	Variance	Variance (%)	Remaining Budget	Note (Variance explanation)
Catering and consumables	169,000	42,250	5,778	36,472	86%	163,222	7.4.4
Communication costs	1,415,829	353,957	158,581	195,376	55%	1,257,248	7.4.5
Computer services	2,680,815	670,204	653,751	16,453	2%	2,027,065	
Consultants	702,615	175,654	275,324	-99,670	-57%	427,292	7.4.6
Insurance	160,000	40,000	37,900	2,100	5%	122,100	
Internal Audit fees	657,510	164,378	84,400	79,977	49%	573,110	
Lease payments	356,112	89,028	42,180	46,848	53%	313,932	
Legal fees	870,000	217,500	252,443	-34,943	-16%	617,557	7.4.7
Printing and publication	200,000	50,000	24,011	25,989	52%	175,989	
Postage and courier	54,000	13,500	3,791	9,709	72%	50,209	
Stationery	150,000	75,000	113,000	-38,000	-51%	37,000	7.4.8
Subscriptions and membership	27,000	6,750	18,059	-11,309	-168%	8,941	7.4.9
Software Licenses	4,833,361	1,247,340	1,098,628	148,713	12%	3,734,733	
Repairs and Maintenance	156,000	39,000	12,883	26,117	67%	143,117	7.4.10
Training and staff development	200,000	50,000	26,600	23,400	47%	173,400	7.4.11
Travel and subsistence	1,284,430	321,108	288,174	32,933	10%	996,256	
Water and Electricity	1,413,298	353,325		353,325	100%	1,413,298	
Property costs (garden, waste, property rates)	38,674	9,669		9,669	100%	38,674	7.4.12
Cleaning	71,616	17,904	18,382	-478	-3%	53,234	
Security	163,666	40,917	27,278	13,639	33%	136,388	
Property rental	5,677,767	1,419,442	1,640,265	-220,823	-16%	4,037,502	
Total goods and services	23,059,694	6,261,423	5,628,746	632,678	10%	17,430,948	

Description	Approved Annual Budget	YTD Budget	YTD Actual	Variance	Variance (%)	Remaining Budget	Note (Variance explanation)
Total budget/expenditure	73,914,000	18,975,001	17,738,805	1,236,195	7%	56,175,195	

¹ The total spending for the year-to-date comprises 24% of the annual operational budget.

7.4 Explanations for material variances and remedial actions

7.4.1 Audit Committee fees- Overspending of R28,330.

The overspending can be attributed to activities leading to the approval of the annual financial statements in May 2024. Even though there is overspending in the first quarter, funds are still available for the remainder of the financial year.

7.4.2 Advertising- Underspending R26,573.

The advertising costs are incurred on a need basis such as when the vacancies are being filled.

7.4.3 Assets under R5000- Overspending R10,185.

This relates to the procurement of computer peripherals to ensure availability of some spare computer equipment. Despite the overspending during the first quarter, funds are still available for the remainder of the financial year.

7.4.4 Catering and consumables- Underspending R36,472

Catering and consumables costs are incurred on a need basis such as when there are engagements with stakeholders.

7.4.5 Communication Costs- Underspending R195,376

The reason for the underspending is because the SABS has not invoiced for communication channels such as telephone lines as well as other ICT related services.

7.4.6 Consultants - Overspending R99,670

Contributing significantly are the costs relating to the upgrades of the Finance and Payroll Systems with some of the modules already running.

7.4.7 Legal fees – Overspending of R34,943.

Due to capacity challenges in the legal department, most of the cases are handled by the external lawyers. Contributing significantly to the legal costs is the NCC vs Mercedes Benz which is currently at the High Court.

7.4.8 Stationery – Overspending of R38,000

The reason for the overspending is because the account is underfunded. Management will also consider reprioritizing the budget in the should additional resources be required.

7.4.9 Subscriptions and membership- Overspending of R11 309.

The reason for the overspending is because the account is underfunded. Management will also consider reprioritising the budget in the should additional resources be required.

7.4.10 Repairs and maintenance - Underspending of R26,117.

This is because the contract for the services has not commenced. Procurement processes have been concluded in the previous financial year.

7.4.11 Training and development - Underspending of R23,400.

The implementation of the training plan is expected to take place in the next quarter.

7.4.12 Water, Electricity and Property costs- Underspending R807,533

The underspending is due to non-billing by the SABS.

7.5 Summary of actions to ensure that the projected expenditure and revenue remain within the budget.

7.5.1 The expenditure is continuously monitored against the approved budget and projections are observed.

7.5.2 The implementation of the procurement plan is being monitored.

**7.6 Progress on the Implementation of the Procurement Plan**

Table 10 shows the progress on the implementation of the procurement plan.

Table 10: Procurement plan

No.	Project Description	Estimated Value (incl. taxes)	Date Required	Service	Comments
1	External Audit Services for 36 months	R 3 300 000.00	01 June 2025		Draft terms of reference not yet received.
2	Internal Audit Services for 36 months	R1 971 000.00	23 March 2025		Draft terms of reference not yet received.
3	Back-end Infrastructure Support for a period of 36 months	R4 301 393.76	01 November 2024		Draft terms of reference not yet received.
4	Microsoft Licenses	R 900 000.00	01 April 2025		Service due by the end of the financial year 2024/25.
5	FortiGate Firewall License for 12 months	R 1 400 000.00	12 May 2024		The purchase order was raised on 17 May 2024.
6	Web Application Firewall	R 700 000.00	Immediate		June 2024 There were some additional changes identified which must be incorporated into the terms of reference previously reviewed by the BSC. The document will have to serve before BSC once again.
7	Panel of Attorneys	Not applicable	Immediate		June 2024 Due to unavailability of BSC members and project managers for various reasons, the meeting was rescheduled to the 9 th of July 2024.
8	Veeam Subscription	R 500 000.00	01 March 2025		Not yet due.
9	HP Subscription	R 600 000.00	01 March 2025		Not yet due.

1. PFMA & TREASURY REGULATIONS

1.1 FINANCIAL CONTROLS

NO.	SECTION	DESCRIPTION	ACTION	DUE DATE	STATUS	COMMENTS
1.1.1	TR 27.3.1	Chief Financial Officer	In the case of a 3A or 3C NCC, must appoint a chief financial officer	At all times	Vacant	CFO position has been advertised during the first quarter.
1.1.2	51(1)(a)(ii)	Internal Audit (IA)	An accounting authority for a NCC must ensure that NCC has and maintains a system of internal audit under the control and direction of an audit committee complying with and operating in accordance with regulations and instructions prescribed in terms of sections 76 and 77	At all times	Done	The NCC has appointed as Internal Audit Service Provider
1.1.3	TR 27.1.1	ARC	The accounting authority of a NCC must establish an audit committee, a sub-committee of the accounting authority	At all times	Done	An Audit and Risk Committee has been appointed.

1.2 MANAGEMENT OF WORKING CAPITAL

NO.	SECTION	DESCRIPTION	ACTION	DUE DATE	RESPONSIBLE PERSON	COMMENTS
1.2.1	38(1)(i)	Written assurance	The NCC must submit a written assurance to the transferring department to the effect that the entity has and maintains effective, efficient and transparent financial management and internal control systems	31 May	CFO	Written assurance was submitted to DTIC during quarter 1 before the receipt of the first budget tranche.
1.2.2	51(1)	Procurement	The NCC must: <ul style="list-style-type: none"> • have an appropriate procurement and provisioning administration system, which is fair, equitable, transparent, competitive and cost-effective • have a system for properly evaluating all major capital projects prior to a final decision on the project • collect all revenue due 	At all times	CFO	Done The NCC has a supply chain management office designated in the Office of the CFO. Bid Committees are in place for all tenders. Material revenue receivable is interest

NO.	SECTION	DESCRIPTION	ACTION	DUE DATE	RESPONSIBLE PERSON	COMMENTS
			<ul style="list-style-type: none"> • Have mechanisms in place to prevent irregular and fruitless and wasteful expenditure • Manage available working capital efficiently and economically 			<p>and grants which are all received as expected.</p> <p>The NCC as per Cash flow projection is able to meet its obligations as they fall due.</p> <p>While controls are in place to prevent irregular and fruitless and wasteful expenditure, where such expenditure is incurred, investigations take place to identify the</p>

NO.	SECTION	DESCRIPTION	ACTION	DUE DATE	RESPONSIBLE PERSON	COMMENTS
						relevant individuals and ensure recovery

1.3 REPORTING

NO.	SECTION	DESCRIPTION	ACTION	DUE DATE	RESPONSIBLE PERSON	COMMENTS
1.3.1	TR 26.1.1	Quarterly Financial Reporting	The NCC must submit information on its confirmed and projected revenue and expenditure to the designated accounting officer within 30 days from the end of	Within 30 days from end of Quarter	CFO	Quarter 4 Report was submitted on 26 April 2024.

NO.	SECTION	DESCRIPTION	ACTION	DUE DATE	RESPONSIBLE PERSON	COMMENTS
			each quarter (Schedule 3A and 3C entities)			
1.3.2	TR 26.1.2	PFMA checklist	The NCC must report quarterly to the executive authority (via the designated accounting officer) on the extent of compliance with the PFMA and Treasury Regulations (Schedule 3A and 3C public entities)	Within 30 days from end of Quarter	CFO	Quarter 4 Report was submitted on 26 April 2024.
1.3.3	TR 29.3.1 TR 30.2.1	Quarterly reports	The NCC must establish procedures to report quarterly to the executive authority in relation to progress made against achieving the targets set out in the strategic and corporate plan	Annually	Company Secretary	Done SOP approved and being implemented

1.4 CASH MANAGEMENT, BANKING AND INVESTMENT

NO.	SECTION	DESCRIPTION	ACTION	DUE DATE	RESPONSIBLE PERSON	COMMENTS
1.4.1.	TR 31.2.1	Banking	The NCC submit a list of all its banking accounts to the National Treasury by 31 May of each year	31 May	CFO	Confirmation of banking details was submitted to National Treasury and DTIC on the 17th July 2024

2. CONSUMER PROTECTION ACT

NO.	SECTION	DESCRIPTION	ACTION	DUE DATE	RESPONSIBLE PERSON	COMMENTS
2.1.	88 (2) (a)	Investigation	Inspectors/investigators must conduct investigations only when in possession of investigation certificate	At all times	Divisional Head I&E	Inspectors were in possession of investigations certificates when conducting Investigations during Q1
2.2	88 (2) (b)	Investigations	Inspectors/Investigators must show a copy of the investigation certificate to the	at all times	Divisional Head I&E	Investigators showed a copy of investigations certificates prior to

			person/s affected by the investigation prior to the investigation					investigations during Q1
2.3.	102 (4)	Self-incrimination	The inspector/investigator must advise the person being investigated of the right not to self-incriminate, prior to questioning	At all times	Divisional Head I&E			During Q4, the need to use these CPA provisions did not arise. No persons were questioned subsequent to issue of summons
2.4.	104 (1) (a) & (b)	Search and Seizure	Persons and premises must be searched only pursuant to a warrant issued by Judiciary	At all times	Divisional Head I&E			No searches were conducted during Q1
2.5.	88 (2) (a)	Investigation	Inspectors/investigators must conduct investigations only when in possession of investigation certificate	At all times	Divisional Head I&E			Inspectors were in possession of investigations certificates when conducting Investigations during Q1

3. LABOUR LEGISLATION

NO.	SECTION	DESCRIPTION	ACTION	DUE DATE	Responsible Person	STATUS	COMMENTS
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3.1	8 (1) of Unemployment Contributions Act	Payment of contribution	The NCC must, on a monthly basis pay the amount of all employees' UIF contributions and the employer's contributions in respect of every employee in its employ to SARS not later than seven days after the end of each month	•	• HR Director • Finance Manager	Done	The Commission pays 1% deducted from employees together with 1% employer contribution to the UIF before the 7 th of each month in terms of the UIF Act
3.2	8 (2) of Unemployment Contributions Act and Regulation 2 thereof	Information to be submitted	The NCC, in the statement submitted with the payment of the UIF contributions, reflect: • the total amount of remuneration paid or payable to all	•	• HR Director • Finance Manager	Done	Monthly before the 7 th . the total amount of UIF contributions reflected on the deduction

3.3	Section 83 of COIDA	Payment of levy	<p>employees in respect of which the contributions were determined in terms of section 6 of that Act;</p> <ul style="list-style-type: none"> the total amount of the employees' contributions and that employer's contributions; and the number of employees in respect of which the contributions contemplated in regulation 2(b) relate. <p>The NCC must pay the levy on or before the date specified by the commissioner</p>				report to SARS
							ROE consolidation for March 2023 to
						<ul style="list-style-type: none"> HR Director Finance Manager 	Due on 30 May 2024

February 2024
were
submitted to
Compensation
Fund on 19
April 2024.
Payment
prepared and
made on 23
May 2024,
ahead of 13
June 2024
due date.