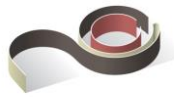


NATIONAL CONSUMER COMMISSION


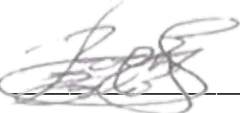

NATIONAL CONSUMER COMMISSION

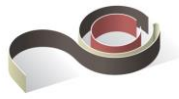
QUARTER THREE REPORT 2024-2025





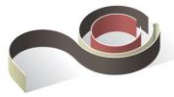
Third Quarter Report

Endorsement by the Company Secretary		Endorsement Support 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>31/01/2025</u>		Date: <u>31/01/2025</u>	
Approval by the Accounting Authority			
I hereby approve the report.			
Signature:  _____			
Name: Mr Hardin Ratshisusu			
Rank: Acting Commissioner			
Date: <u>31/01/2025</u>			



ACRONYMS

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



Third Quarter Report

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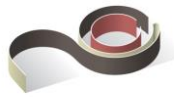


NATIONAL CONSUMER COMMISSION



EXECUTIVE SUMMARY AND KEY HIGHLIGHTS

QUARTER 3
2024-25



1. INTRODUCTION

1.1 The NCC has a total of 20 performance targets in the revised 2024/25 Annual Performance Plan (APP). In Quarter 3, 17 targets were applicable and 3 were not applicable. The NCC achieved 15 targets and did not achieve 3. Therefore, the NCC achieved a performance score of 88% against the Q3 APP targets.

2. KEY HIGHLIGHTS

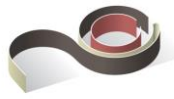
2.1 Market Inspections

In this quarter, the NCC conducted market monitoring inspections in the Limpopo, Gauteng, KZN, Northern Cape and Eastern Cape provinces in order to eliminate foodstuff that is potentially unsafe and not of good quality and to combat the current challenge of poisoned food. Following these inspections, the NCC has now initiated investigations against a number of suppliers in these provinces, which investigations are at an advanced stage.

- NCC Response to Poisoned Food Disaster

2.1.1 Following the President's announcement of the disaster, the NCC carried out the following activities:

- i) Repurpose the national hotline to receive complaints and tip-off to enable consumers to report non-compliance with the CPA in as far as food safety is concerned;
- ii) A dedicated e-mail address: foodsafety@thenc.org.za was setup as a back-up during the festive season and will be retained until the end of the campaign;
- iii) Educated consumers on the use of the hotline;
- iv) Developed and rolled out key messages on multiple media and social platforms;
- v) Trained businesses on food handling, safety standards and regulatory requirement;
and



- vi) Conducted compliance inspection.

2.1.2 The **dtic** secured motor vehicles from Toyota South Africa, for a temporary period, to enable to the NCC to conduct inspections.

2.1.3 Hotline Statistics

- i) Working hours for the Call Centre are from 08h30-19h00 weekdays and 08h30-12h30 on Saturdays and Sundays. The Hotline number (012 065 1940) has been zero rated by mobile network operators.
- ii) There was a good uptake during the 1st week of 18 November to the 21st of November 2024. The calls declined from the 25th of November 2024 to the 1st of December 2024.
- iii) The calls started increasing again from the 2nd of December 2024 to the 7th of December 2025 after the announcement in media that the Hotline number is zero-rated.
- iv) A total of 225 calls were received from the 18th of November 2024 to the 14th of January 2025. The figure below demonstrates the number of calls per day during that period.

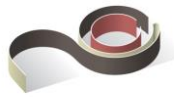
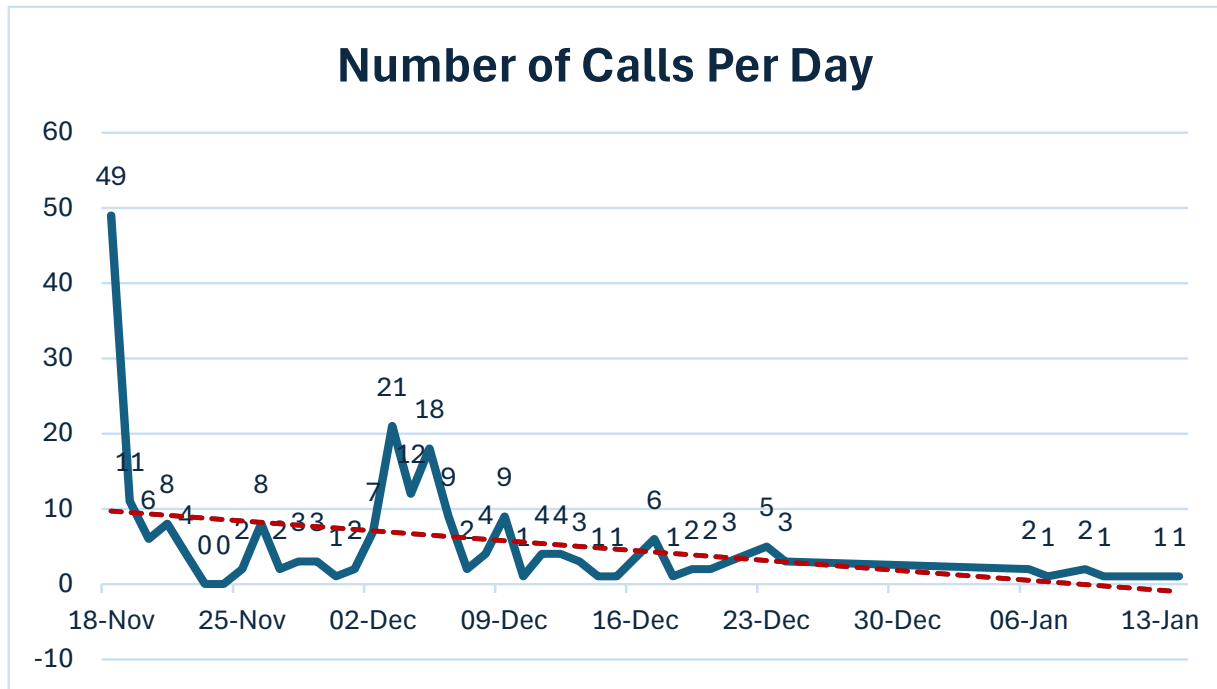


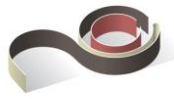
Figure 1: number of calls per day



- v) The highest number of calls were received from Gauteng (82), followed by KZN (52) and the least being Northern Cape (4). The majority of reported cases relates to the selling of expired goods, followed by the sale of illicit liquor. The following table shows the number of calls per province:

Table 1: per province

	Province	Totals per Province
1.	Eastern Cape	22
2.	Free State	7
3.	Gauteng	82
4.	KwaZulu-Natal	52
5.	Limpopo	14
6.	Mpumalanga	13
7.	North-West	12
8.	Northern Cape	4
9.	Western Cape	19
	Total	225



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2.1.4 Compliance inspections

The NCC conducted compliance inspection into food and foodstuffs in Limpopo, Gauteng, Western Cape, and Northern Cape, Eastern Cape and KwaZulu-Natal.

The non-compliant goods include baby food, sweets, cool drinks, noodles, snacks, biscuits, juices, and other consumables.

i) **Kwa Zulu Natal Inspections**

a. The inspections were conducted as follows:

aa) 18th-22nd of November 2024. These inspections were conducted in Date Zululand (Ulundi) Umhlathuze (Richards Bay), Umsunduzi (PMB), Ray Nkonyeni (Port Shepstone) eThekwini (Phoenix, Verulam).

bb) Ulundi, Richards Bay, PMB, Port Shepstone, eThekwini (Phoenix, Verulam, Umgeni, Pinetown).

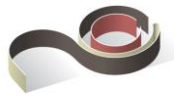
b. The NCC compliance inspections led to formal investigations into warehouses that supplied biscuit remnants implicated in the Foodborne Illness cases in KZN. The NCC followed up on a Warehouse in Verulam that operated for 15 years with no Certificate of Acceptability as well as another factory in Umgeni Road that operated from a site not zoned for business and with no Certificate of Acceptability.

c. The investigations resulted a recall and destruction of biscuits to the total value of returned biscuits and snacks is R534 457.06 which were then destroyed at the supplier expense.

ii) **Gauteng Inspections**

a. The inspections were conducted as follows:

aa) 30th-to 31st July 2024. Inspections were conducted in Pretoria West, Atteridgeville and Midrand.



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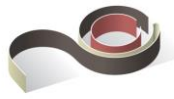
- bb) 2nd-8th of September 2024. These inspections were conducted in Tembisa and Naledi.
 - cc) 22nd of October 2024. These inspections were conducted in Bronkhorstspuit.
- b. The inspections revealed the following:
- aa) No proper labelling of Snacks.
 - bb) No ingredients and nutrition information
 - cc) No Certificate of Acceptability.
 - dd) Unhygienic conditions (Signs of rodents were visible as some of the stock was eaten by rats).

iii) Limpopo Inspections

- a. During the 04th to the 08th of December 2024, the NCC carried out inspections in Capricorn, Vhembe (Malamulele, Thohoyandou, Louis Trichardt), Mopani (Giyani), Seshego, Polokwane, Mankweng and Lebowakgomo.

iv) Western Cape

- a. The NCC conducted week-long inspections 38 suppliers of Fast-Moving Consumer Goods in the Western Cape from 02-08 September 2024 in Milnerton, Cape Town CBD, Mitchells Plain, Durbanville/ Kraaifontein and Ottery.
- b. Follow up inspection were done on 21-24 October 2024 and 13 Compliance Notices were issued to suppliers who were found to be non-compliant with the CPA.
- c. Following a police operation in Daleside, Gauteng on November 11 2024, the National Consumer Commission (NCC) launched an investigation into potential violations concerning the import, labeling, and disposal of a tinned fish. The NCC has reason to believe that Woolworths and/or Oceana may have engaged in prohibited conduct related to this imported product. The investigation will examine the disposal procedures for both rejected portions of the product consignment.



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v) **Northern Cape**

- a. During 2024 inspections were conducted in Hartswater, Jan Kemp-dorp, Warrenton, Barkly West, and Kimberly.

vi) **Eastern Cape**

- a. The inspections were conducted as follows:

- aa) 14th – 18th October 2024: Buffalo City (Monti, Mdantsane, Qonce), NMB/Gqeberha (Korsten)
- bb) 9th – 12 December 2023: Buffalo City and NMB/Gqeberha.

- b. On September 27, 2024, the National Consumer Commission (NCC) initiated product safety recalls following a suspected food poisoning incident in Buffalo City, Eastern Cape. Several fatalities were reported, allegedly linked to the consumption of Vanilla Instant Porridge manufactured by Namib Mills. In response, the NCC, in collaboration with other consumer protection agencies, conducted inspections of food suppliers in East London to ensure compliance with safety standards and prevent further incidents.

2.2 Complaints Handling

- 2.2.1 During the period under review 1 686 consumer complaints were received. Figure 2 is a breakdown of the complaints per month in Q3:

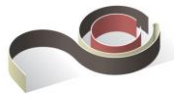
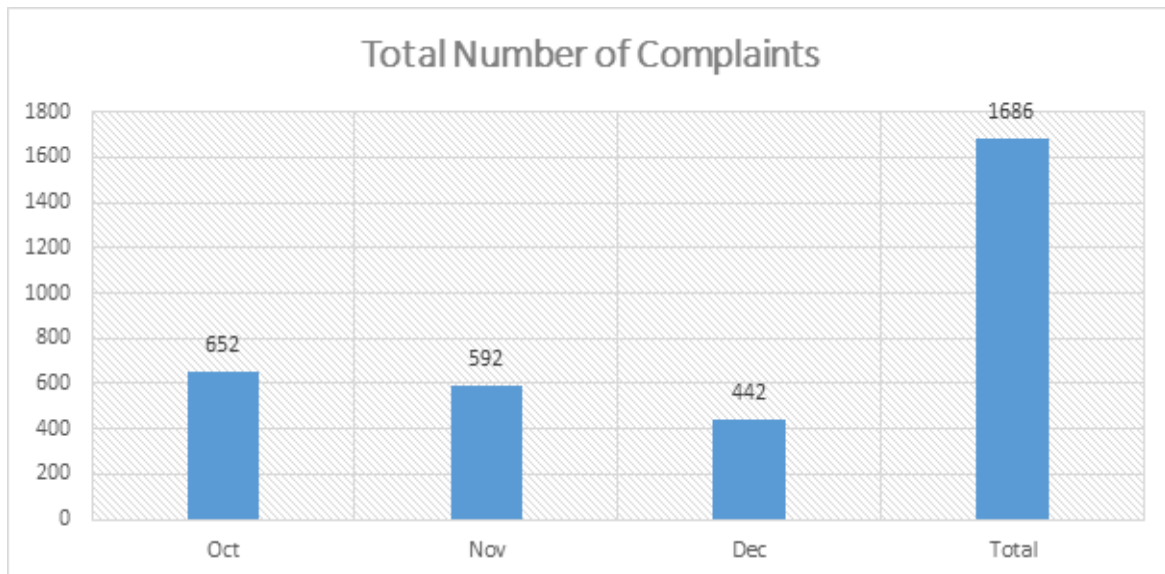
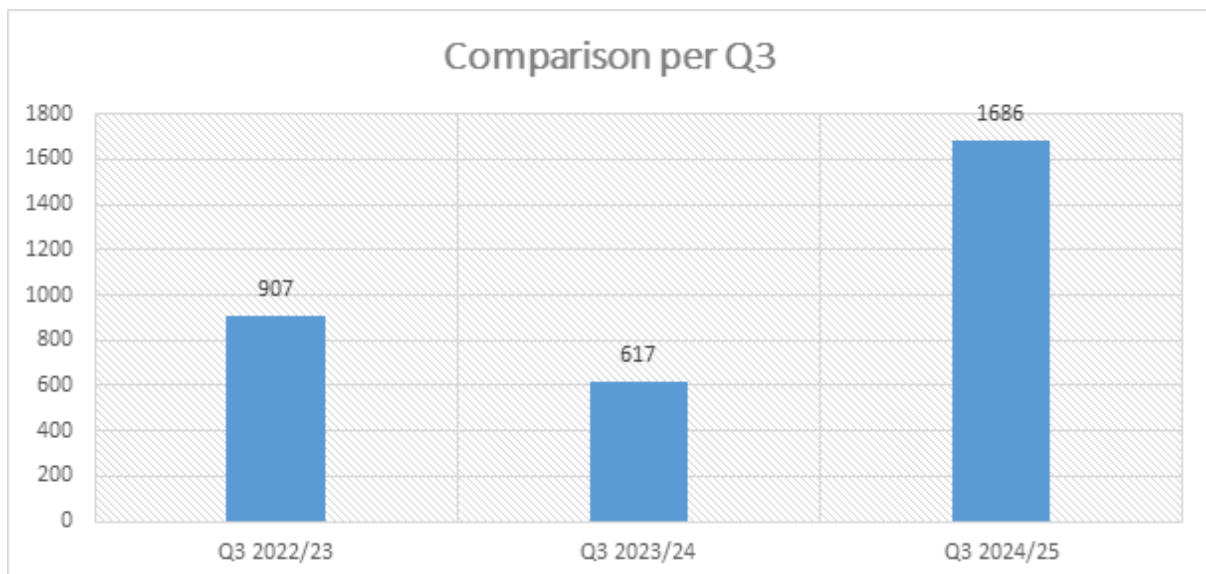


Figure 22: Total number of complaints in Q3

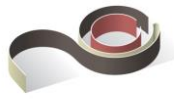


2.2.2 A three-year comparison demonstrates that there is an increase in complaints during Q3 of 2024/2025 as demonstrated by figure 3 below:

Figure 3: three-year comparison of Q3



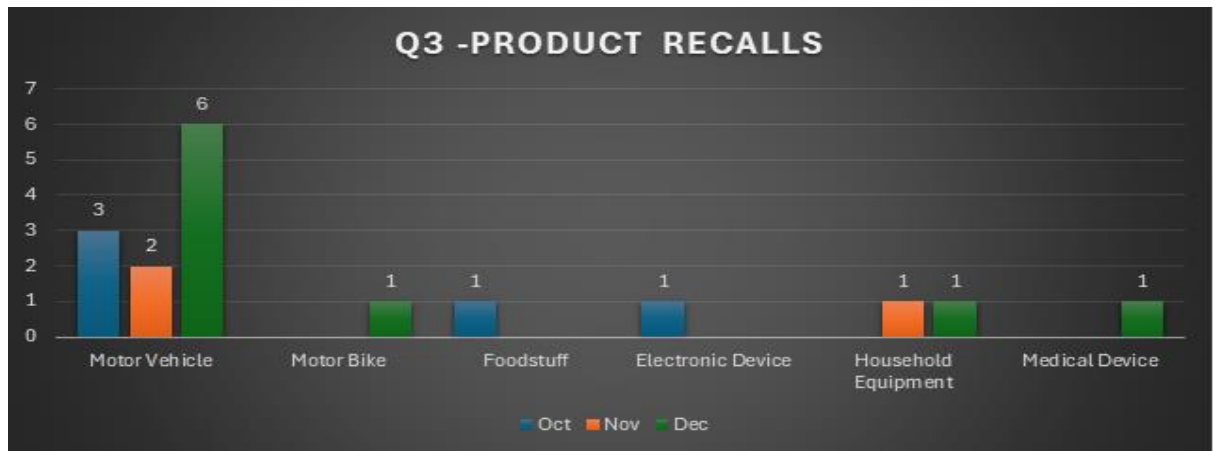
2.2.3 In Q3, the highest number of complaints received was from the Motor Vehicles category, which recorded **398 (24%)** complaints. The second highest number of complaints received was from the Payments and Billing category with **299 (18%)** complaints. The Machinery and Technology category was third with **245 (14%)** complaints. The Household category was fourth with **234 (14%)** complaints.



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2.3 The NCC has administered 17 product recalls in this quarter. These are administered to ensure that consumers receive goods that are of good standards, free of defects and safe for public consumption. Figure 4 below shows the recalls by category

Figure 4: product recalls by category



2.4 Documented cases of consumers impacted by the NCC activities.

2.4.1 In this quarter, the NCC prevented non-compliant imported Clothing, Textile, Footwear and Leather goods to value of **R3 209 464.11** from entering the South African market.

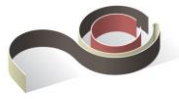
2.4.2 The NCC through its investigation and enforcement activities, has obtained redress to consumers to the amount of **R 1 333 961,26 (One million and three hundred and thirty-three thousand, nine hundred and sixty-one cents).**

2.4.3 In this Quarter, administrative fines to the value of **R1100 000.00 (one million, one hundred thousand Rands)** were levied by the National Consumer Tribunal (the Tribunal), following prosecutions by the NCC.

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

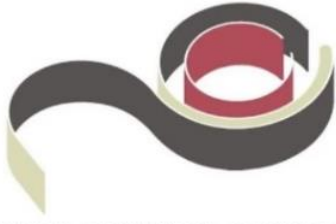
2.5.1 In this quarter, the NCC obtained two preservation orders to the tune of **R 5 326 869 (Five million, three hundred twenty-six thousand, eight hundred sixty-nine Rands)** against one Ponzi scheme.

2.5.2 As at the end of quarter 2, there are 6 cases of scams that are being investigated.



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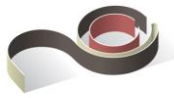
NATIONAL CONSUMER COMMISSION



SECTION B

PERFORMANCE AGAINST APP

**QUARTER 3
2024-25**



3. PERFORMANCE BY FUNCTION

3.1 Introduction

The NCC has a total of 20 performance targets in the 2024/25 Annual Performance Plan (APP). In Quarter 3: 17 targets were applicable and 3 were not applicable. The NCC achieved 15 targets and did not achieve 2. Therefore, the NCC achieved a performance score of 88% against the Q3 APP targets.

3.2 INVESTIGATION AND ENFORCEMENT FUNCTION

3.2.1 These functions are performed by the Investigations Division and the Legal Services.

3.2.2 In this quarter the NCC completed 21 investigations, 2 of which resulted in settlements during the investigation phase. In this phase, a total of **R966 787.16 (nine hundred and sixty-six thousand, seven hundred and eighty-seven rands, sixteen cents)** in redress to consumers was obtained. Table 2 below illustrates these matters:

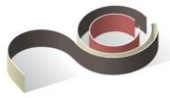
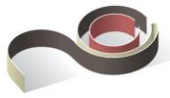
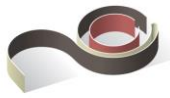


Table 2: redress to consumers during investigations

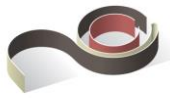
No.	NCC REF	SUPPLIER	SUMMARY	AMOUNT (R, c)
1.	CC2023/12/1340045	TELKOM	<p>The consumer alleges that she purchased a defective device from the supplier. The supplier failed to assist the consumer in terms the defects.</p> <p>Through the intervention of the Commission, the supplier waived the device charges and refunded the consumer an amount of R760,00</p>	R760.00
2.	CC2023/12/1049	DARIUS CAR SALES	<p>The consumer alleges that he purchased a defective vehicle from the supplier. The supplier failed to assist the consumer with the remedy to the vehicle defects. The consumer cancelled the contract.</p> <p>Through the intervention of the Commission, the supplier took back the vehicle and refunded the consumer an amount of R130 500,00</p>	R130 500.00
3.	CC2023/12/1235	VODACOM	<p>The consumer alleges that the supplier deducted money from his account without his consent. The consumer requested a refund without success. The supplier failed to refund the consumer.</p>	R8146.18



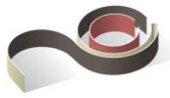
No.	NCC REF	SUPPLIER	SUMMARY	AMOUNT (R, c)
			Through the intervention of the Commission, the supplier refunded the consumer an amount of R8 146,18	
4.	CC2024/05/93573056	TELKOM	<p>The consumer alleged that a fraudulent upgrade was done without her consent. The consumer cancelled the upgrade, and the supplier continued to debit the account.</p> <p>Through the intervention of the Commission, the supplier cancelled the upgrade and credited the consumers account with R9 874,94.</p>	R9 874.94
5.	CC2023/12/1318062	VODACOM	<p>The consumer alleged that the supplier was billing her the amount that was not agreed in terms of the contract. The consumer wants a refund on the amount taken outside the agreed contract. .</p> <p>Through the intervention of the Commission, the supplier refunded the consumer an amount of R4 612.72.</p>	R4 612.72
6.	CC2024/01/1430064	TELKOM	<p>The consumer alleged that they entered into a contract and the supplier never installed the fibre. The supplier further debited the consumer's account. The consumer cancelled the contract. .</p>	R786.72



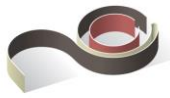
No.	NCC REF	SUPPLIER	SUMMARY	AMOUNT (R, c)
			Through the intervention of the Commission, the supplier cancelled the contract and credited the consumer's account with R786,72.	
7.	CC2024/02/2060032	TELKOM	The consumer alleged that the contract was cancelled within the cooling off period and the supplier did not cancel the contract and continued to debit the consumer's account. Through the intervention of the Commission, the supplier cancelled the contract and refunded the consumers account with R7 821,95.	R7 821.95
8.	CC2024/07/4722083	TELKOM	The consumer alleged that they cancelled contracts with the supplier, and the supplier failed to cancel the contracts. Through the intervention of the Commission, the supplier cancelled the contract and refunded the consumers account with R4 449,43.	R4 449.43
9.	CC2024/06/3959064	TELKOM	The consumer alleged that the supplier was billing him incorrectly and wants the supplier to correct the billing and refund him.	R25 008.38



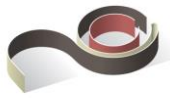
No.	NCC REF	SUPPLIER	SUMMARY	AMOUNT (R, c)
			Through the intervention of the Commission, the supplier cancelled the contract, and the consumer was credited and refunded an amount of R25 008,38	
10.	CC2024/08/507108	TELKOM	<p>The consumer alleged that the supplier offered her a contract with two phones, but the supplier charged her for two contract. they cancelled contracts with the supplier, and the supplier failed to cancel the contracts. The consumer wants the supplier to remedy the contract.</p> <p>Through the intervention of the Commission, the supplier cancelled the one contract and credited the consumers account with R9 786,00.</p>	R9 786.00
11.	CC2024/01/1800092	TELKOM	<p>The consumer alleged that they entered into a contract with the supplier but the supplier failed to instal the fibre and charged the consumer. The consumer wants to cancel the contract.</p> <p>Through the intervention of the Commission, the supplier cancelled the contract and credited the consumer's account with R964,02.</p>	R964.02



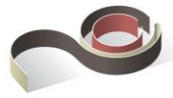
No.	NCC REF	SUPPLIER	SUMMARY	AMOUNT (R, c)
12.	CC2024/07/482309	TELKOM	<p>The consumer alleged that the supplier delivered the incorrect package and billed her twice. The consumer wants the supplier to remedy the issue of billing.</p> <p>Through the intervention of the Commission, the supplier remedied the billing issue and credited the consumer an amount of R2 455,91.</p>	R2 455.91
13.	CC2024/04/3283054	TELKOM	<p>The consumer alleged that they cancelled contract with the supplier, and the supplier failed to cancel the contract, and the supplier continued to debit the consumer's account.</p> <p>Through the intervention of the Commission, the supplier cancelled the contract and refunded the consumers account with R21 107,70.</p>	R21 107.70
14.	CC2024/05/3542046	TELKOM	<p>The consumer alleged that there were undue subscriptions on her account which she did not know, and she notified the supplier and reversed the transaction. The supplier continued to bill the consumer, and the consumer wants a refund. Through the intervention of the Commission, the supplier credited the consumers account with R3051.18</p>	R3051.18
15.		VODACOM		R829.48



No.	NCC REF	SUPPLIER	SUMMARY	AMOUNT (R, c)
	CC2024/09/5691075		<p>The consumer alleged that they entered into a contract for a router and within seven days established that the router was not connecting. The consumer cancelled the contract, and the supplier refused to take back the router.</p> <p>Through the intervention of the Commission, the supplier cancelled the contract and refunded the consumer an amount of R829,48.</p>	
16.	CC2024/04/2982064	VODACOM	<p>The consumer alleged that the supplier was billing her for the contract that she never entered into with the supplier. The consumer wants a refund of moneys deducted.</p> <p>Through the intervention of the Commission, the supplier refunded the consumer an amount of R1 050,00.</p>	R1 050,00
17.	CC2024/09/5530044	VODACOM	<p>The consumer alleged that they entered into a contract with the supplier for a watch and paid monthly. \the supplier blocked the watch from working alleging that the consumer skipped payment. \the consumer wants the supplier to cancel the contract and refund her for the watch.</p> <p>Through the intervention of the Commission, the supplier cancelled the contract and refunded the consumer with R2 639,94.</p>	R2 639,94



No.	NCC REF	SUPPLIER	SUMMARY	AMOUNT (R, c)
18.	CC2024/06/428903	ON AIR TV	<p>The consumer alleged that they cancelled contracts with the supplier, and the supplier failed to cancel the contracts and continued to debit the consumer`s account. The consumer wants a refund.</p> <p>Through the intervention of the Commission, the supplier cancelled the contract and refunded the consumers account with R1 495,00</p>	R1 495,00.
19.	CC2024/04/3283054	TELKOM	<p>The consumer alleged that they cancelled contract with the supplier, and the supplier failed to cancel the contract, and the supplier continued to debit the consumer`s account.</p> <p>Through the intervention of the Commission, the supplier cancelled the contract and refunded the consumers account with R21 107,70.</p>	R21 107,70
20.	CC2024/08/5064089	WE BUY CARS	<p>The consumer alleges that he purchased a defective vehicle from the supplier. The supplier failed to assist the consumer with the remedy to the vehicle defects. The consumer cancelled the contract.</p>	R649, 169-39

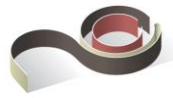


No.	NCC REF	SUPPLIER	SUMMARY	AMOUNT (R, c)
			Through the intervention of the Commission, the supplier took back the vehicle and refunded the consumer an amount of R649 169,39	
21.	CC2024/05/3539057	WE BUY CARS	The consumer alleges that he purchased a defective vehicle from the supplier. The supplier failed to assist the consumer with the remedy to the vehicle defects. The consumer cancelled the contract. Through the intervention of the Commission, the supplier took back the vehicle and refunded the consumer an amount of R62, 000,01	R62, 000-01S
Total				R966 787.16

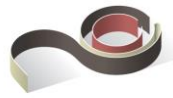
3.2.3 In this quarter, enforcement action was taken in a total of 29 cases. The breakdown is as follows:

Table 3: enforcement action

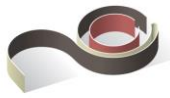
NO	SUPPLIER	NATURE OF THE MATTER	NATURE OF ENFORCEMENT
1	Joy Collectable	CTFL	Compliance Notice



NO	SUPPLIER	NATURE OF THE MATTER	NATURE OF ENFORCEMENT
2	Cape Rover Parts (Pty) Ltd T/A Philipi Auto Parts	Defective Motor Vehicle	NCT Referral
3	Lifestyle Home CC	Defective Goods	Compliance Notice
4	Standford Investments t/a Aksons Haval PMB	Defective Motor Vehicle	NCT Referral
5	Home Renovations Cape Town	Retail	NCT Referral
6	JMB Motors	Defective Motor Vehicle	NCT Referral
7	Autohaus Beyers	Defective motor Vehicle	Compliance Notice
8	Die Visfabriek	Non-compliant market conduct	Compliance Notice
9	Super Star Cape Gate	Non-compliant market conduct	Compliance Notice
10	Amigos Fisheries	Non-compliant market conduct	Compliance Notice
11	Bismila Grand	Non-compliant market conduct	Compliance Notice
12	Fairfield Meat Express	Non-compliant market conduct	Compliance Notice
13	Dadas Nutritious Food and Spices	Non-compliant market conduct	Compliance Notice



NO	SUPPLIER	NATURE OF THE MATTER	NATURE OF ENFORCEMENT
14	Bag It	Non-compliant market conduct	Compliance Notice
15	Richie Ford Empangeni	Defective services	Compliance Notice
16	Planet Sweets	Non-compliant market conduct	Compliance Notice
17	Fish For Africa	Non-compliant market conduct	Compliance Notice
18	Checkers Hyper	Non-compliant market conduct	Compliance Notice
19	Kwimame Timbers (Pty) Ltd	Non-delivery of Goods	Settlement Agreement
20	Bernice Warwick	Defective service	Compliance Notice
21	Country Glam	Unsafe goods	Compliance Notice
22	Nalicol (pty) ltd	CTFL	Compliance Notice
23	India Ink	CTFL	Destruction
24	Power Africa Retail	Poor quality service	NCT referral
25	India ink (pty) Ltd	CTFL	Destruction



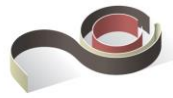
NO	SUPPLIER	NATURE OF THE MATTER	NATURE OF ENFORCEMENT
26	Guru Reggie Naidoo	CTFL	Destruction
27	City Express Stores (Pty) Ltd	CTFL	Destruction
28	Millstock cars	Defective Motor vehicle	Compliance Notice
29	Alderwood Trading 61 CC t/a Autovision Durban	Defective Motor vehicle	NCT Referral

3.2.4 In Quarter 3, compliances notices to the value of **R3 209 464.11 (Three million two hundred and nine thousand, four hundred and sixty-four rand and eleven cents)** were issued to effect that non-compliant imported goods be destroyed or returned to country of origin.

3.2.5 Further enforcement resulted in redress to consumers in the amount of **R367 174.10 (Three hundred and sixty-seven thousand one hundred and seventy-four rand and ten cents)** and administrative fines the value of **R 1 100 000.00 (One million one hundred thousand rand)**.

3.2.6 Two judgements were issued by the Tribunal. These are:

- i) NCC V BRAAI BLOCK



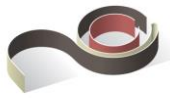
In this matter, a consumer complained that Braai Block did not include its physical address on tax invoices and charged varying service fees not disclosed upfront. This led the NCC to investigate and refer the matter to the Tribunal. The Tribunal found Braai Block violated sections 23(6)(a) and 26(3)(b) of the CPA which mandate that prices must not exceed displayed prices and that a written transaction record must include the address of the premises. The respondent contravened the CPA by charging consumers more than the displayed price and failing to provide transaction records with the necessary information. The Tribunal also considered the seriousness of the violations, including the widespread nature of the conduct across 16 branches. The respondent is required to pay an administrative fine of R1,000,000.00. This ruling protects consumers from deceptive pricing practices and sets a precedent for supplier transparency.

ii) NCC V BAJ AUTO INVESTMENTS (PTY) LTD T/A AUTO INVESTMENT VANDERBIJLPARK

The investigation by the NCC revealed that the consumer's 2012 Volkswagen Amarok purchased from BAJ Auto Investments (PTY) Ltd, broke down (engine failure) within five (5) days of purchase. The supplier ignored the consumer's request for redress. The supplier made the complainant to also sign a mechanical warranty waiver certificate wherein it exonerated itself from liability in the event of a breakdown or failure. The Tribunal ruled that the supplier distributed a defective vehicle, thus contravening sections 56(2) read with 55(2)(c) and sections 51(1)(a) and (b) of the CPA. The supplier was ordered to pay an administrative penalty of R 100 000.00 (One hundred thousand rand).

3.2.7 High Impact investigations

- i) In this quarter, the NCC initiated 6 high impact investigations against:
- a) Namib Mills and Spar Group with regards to alleged poisoned instant porridge.
 - b) Woolworths and Oceana with regards to expired and repackaged tinned fish.



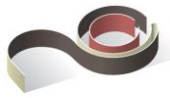
- c) Shoprite Checkers and BM Foods with regards to listeriosis detected in Deli Humus.
- ii) 4 high impact investigations were finalized against:
 - a) Namib Mills and Spar Group with regards alleged poisoned porridge.
 - b) Lluvia Nutrition and the House of Natural Butters with to high levels of Aflatoxin in peanut butter.

3.2.8 The Contribution to IO7 of the Action Plan on South Africa's Greylisting

The NCC contributes to Immediate Outcome (IO) number 07 (IO7) 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."* In this regard, the notable cases that NCC investigated are:

i) NCC V Women Against Poverty and Hunger (WAPH Women)

In Quarter 2, the NCC investigated the WAPH scheme involved in predicate offences. The scheme was a pyramid and multiplication scheme disguised as a grocery stokvel. The scheme invites members of the public to make a once-off payment of R300 (Three hundred Rand), promising them monthly grocery parcels for 12 months thereby offering, promising or guaranteeing an effective interest of above 1770%. The NCC obtained, through the NPA's Asset Forfeiture Unit, a preservation order in the amount of **R5 326 869.00 (Five million, three hundred twenty-six thousand, eight hundred sixty-nine Rands.)**



The investigation continued and further banking accounts were identified in quarter 3, the NCC obtained, through the NPA’s Asset Forfeiture Unit, a further two preservation orders in the amount of **R136 709.77 (One hundred thirty-six thousand seven hundred nine rands and seventy-seven cents)** and **R1 273 645 (One million two hundred seventy-three thousand six hundred forty-five rands)**.

ii) Grosavestokvel

This matter was investigated in Quarter 1. 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 rands)**.

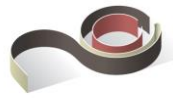
In Quarter 3, The North Gauteng granted a forfeiture order. The preserved amount is now forfeited to the state.

3.2.9 Product recalls

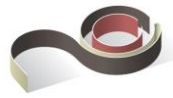
i) The NCC administered 17 product recalls in this quarter. Figure 4 below shows the distribution of different categories: Motor Vehicles, Motor Bikes, Electronic Devices, Foodstuff, Household Goods, and Medical Devices. These are fully shown in table below:

Table 4: product recall

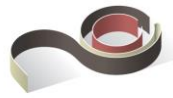
No.	NAME OF SUPPLIER	PRODUCT	DEFECT	HAZARDS
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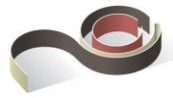
1.	Namib Mills	Top Score Instant Porridge 1kg Vanilla Flavoured	Unknown at this point, allegedly consuming of product has led to the death of three children	Potential food safety risk.
2.	Toyota SA Motors	Toyota & Lexus 24SD-056 Panoramic View Monitor Replacement	The subject vehicles are equipped with a front-view camera and a rearview camera used to capture and display an image of the area in front of and behind the vehicle. Due to insufficient laser welding of the camera case at the supplier during a specific production period, there is a possibility that the camera case may separate when exposed to external stress over time, allowing water to leak into the camera.	If this occurs, the circuit inside the camera can short, leading to an inability to display an image of the area in front of and/or behind the vehicle.
3.	Belkin Limited	Belkin BoostCharge Pro Fast Wireless Charger for Apple Watch + Power Bank 10K	In some circumstances, the portable wireless battery charger's lithium-ion cell component may overheat which could pose a fire hazard to consumers.	There have been no incidents in South Africa. To date, there have been a small number of reported incidents in a limited number of countries in Asia only.
4.	Mercedes-Benz South Africa Limited (5496234)	Mercedes-Benz Model S- Class	Mercedes-Benz S580	The supplier has determined that on certain S-Class (223 platform) vehicles with 8-cylinder gasoline



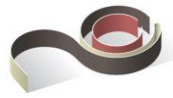
				<p>engine, the lambda control in the software of the engine control unit might not meet specifications. In the event of an independent hardware failure, the amount of injected fuel might be erroneously increased by the lambda control system in case of a cylinder deactivation. As a result, an increase of exhaust temperatures and a damage of surrounding components (e.g. engine wiring harness, catalytic converter) might occur. Therefore, a loss of propulsion without prior warning and an increased risk of fire cannot be ruled out. Furthermore, local legal emission limits could be exceeded.</p>
5.	Mercedes-Benz South Africa Limited (4990103)	Mercedes-Benz Model 247(B-Class, GLA/GLB	Oil leak at exhaust manifold.	The supplier has determined that, in certain vehicles in the model series CLA (model series 118), A-Class (model series 177) and B-



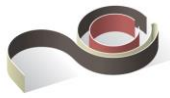
				Class/GLA (model series 247) with 4-cylinder diesel engine, the sealing ring between the exhaust manifold and the exhaust gas turbocharger may be missing. In such an instance, this could lead to the escape of hot, uncleaned exhaust gas between the exhaust gas turbocharger and the exhaust manifold. This thermal load could, for example, damage the cylinder head cover thereby causing oil to leak out. If the oil impacts with hot component parts, there is a risk of a fire breaking out. Statutory exhaust gas emission limit values could also be exceeded here.
6.	Toyota SA Motors Pty (Ltd) (see Annexure “G”)	Toyota & Lexus (24SD-055 Forward Recognition Camera Software Update/Software Update)	The subject vehicles are equipped with a Toyota Safety Sense (TSS) 3.0 system or Lexus Safety System Plus (LSS +) 3.0, containing a forward recognition camera to detect objects for certain driver assistance features, including the Pre-Collision	If this occurs, the PCS will not activate on the next ignition start, causing warning lights to illuminate, audible chimes to sound, and messages to display on the instrument panel. If the PCS



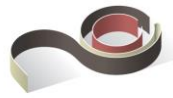
			System (PCS). Due to the programming of the forward recognition camera software, there is a possibility that the memory inside the forward recognition camera could fail during processing when the ignition is turned off.	cannot activate, it may not conform to local practice in certain countries.
7.	Mercedes-Benz South Africa Limited (1595003 / 1595004) (see Annexure “H”)	Mercedes-Benz Model: AMG GT (290), E-Class (213-), E-Class (238) and CLS (257)	The supplier has determined that during the course of a recall campaign that unfortunately the electrical connector for the transmission wiring harness may not have been manufactured correctly in your vehicle. This may lead to the ingress of water into the plug and, over time, cause a short circuit. As a result, the short circuit could lead to thermal overloading of the connector coupling after the vehicle has been parked.	As part of a recall campaign, therefore, we will replace the two-piece wiring harness – including the connector coupling – with a new, one-piece variant in your vehicle as a precautionary measure.
8.	Canyon Bicycles GmbH (see Annexure “I”)	Canyon bicycle: Speedmax CF (R073), Speedmax CF (R41)	It was discovered that in certain limited circumstances the fork steerer tube of the Affected Products can crack or break, leading to a detachment of the cockpit assembly (stem and handlebar). This mostly occurs after harsh impact such as	The issue referred to directly above may lead to a fall or in severe cases also an injury depending on the situation and the environmental conditions one is riding in. Following internal



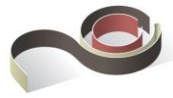
			hitting a deep pothole or another similar stress event.	investigations, a risk assessment was performed (EU Risk Assessment Guide: Commission Decision 2019/417) and a serious level of risk was identified.
9.	Toyota SA Motors Pty (Ltd)	Toyota Hino 200 series 310 (Steering pinch bolt replacement)	Steering pinch bolts over torqued during assembly process.	Risk that the steering pinch bolts may fracture and break off causing a loss of steering control.
10.	Toyota SA Motors Pty (Ltd)	24SD-145 Corolla Steering Intermediate Shaft Replacement	The steering system of the subject vehicles consists of a steering intermediate shaft assembly that connects the steering wheel to the steering rack. There is a possibility that the upper universal joint on the steering intermediate shaft assembly was manufactured with cracks at the supplier. In this condition, the crack may grow over time due to stress created by steering inputs. If the crack grows, this can lead to abnormal noise, abnormal steering feel, and additional play in the steering wheel while turning.	Eventually the universal joint can break, causing a loss of steering and increasing the risk of an accident.



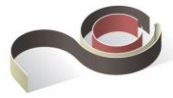
11.	Volvo Car South Africa	XC90 Rear seat belt buckle and lower anchor screw (R10259)	Volvo Cars investigations have identified that the second-row seat belt buckle may have not been tightened to the correct specification	If this condition occurs, it may not fulfil sufficient protection in an event of a crash for the second-row passenger.
12.	Toyota SA Motors Pty (Ltd)	Toyota LC 300 24SD-071 V35A Engine Replacement	The subject vehicles are equipped with a specific V35A engine that contains crankshaft main bearings which allow the crankshaft to rotate within the engine assembly while running. During a specific production period, there is a possibility that engine machining debris of a particular size and amount may not have been cleared from the engine during manufacturing and subsequently contaminated the engine assembly during the production process. For these engines in the subject vehicles, the pressure on the main bearings due to the engine configuration is such that, if the aforementioned machining debris adheres to the bearings and operation of the engine continues at higher loads over time, failure of the bearings may occur. This can lead to	A vehicle loss of motive power while driving at higher speeds can increase the risk of an accident.



			potential engine knocking, engine rough running, engine no start and/or an engine stall. In the subject vehicles, an engine stall while driving leads to a loss of motive power.	
13.	Toyota SA Motors Pty (Ltd)	24SD-146 Corolla Brake Actuator Reprogram	The subject vehicles are equipped with a brake actuator with a skid control Electronic Control Unit (ECU) which controls the hydraulic and regenerative brake systems. Due to the programming of the skid control ECU software, there is a possibility that the brake fluid pressure may not be controlled as designed in limited situations when the brake pedal is applied during cornering.	Operators may temporarily experience a hard brake pedal with reduced braking force, increasing the brake stopping distance more than expected, and potentially increasing the risk of crash.
14.	Pirelli Deutschland GmbH (Pirelli)	Pirelli (Scorpion Trail II 150/70R18 M/C 70V) and Metzeler-branded motorbike tyres (Tourance Next 150/70R18 M/C 70V, Tourance Next II 150/70R18 M/C 70V,	Pirelli has identified that, in certain tyre service conditions (such as low inflation pressure, heavy load, road conditions causing irregular wear) and after a consistent mileage, the tyres may be subject to breakage of zero-degree reinforcement. If this condition is not promptly detected, it may lead to potential	Partial detachment of the tread layer and/or a sudden loss of air pressure may cause loss of control, increasing the risk of a crash.



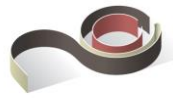
		Tourance Next II 150/70R18 M/C 70W)	detachment of parts of the tread layer and/or sudden air loss.	
15.	Stellantis South Africa	Opel, Opel Astra and Opel Mokka (Takata Driver Airbag Inflator)	The driver airbag inflator may rupture during airbag deployment phase.	The potentially high energetic deployment of the inflator may lead to metal fragments detaching from the bursting inflator and this part could fly in the direction of the driver/occupants in the motor vehicle, capable of causing serious injury or possibly death in a worst-case scenario.
16.	Boston Scientific	AXIOS™ Stent and Electrocautery Enhanced Delivery System	Boston Scientific is initiating a removal of specific lots of the AXIOS™ Stent and Electrocautery Enhanced Delivery System, detailed in Attachment 1, due to reports of the outer sheath distal black tip detaching from the device. Boston Scientific has received seven (7) reports of this issue between May 16, 2024, and present day. In cases where the stent was deployed, it was observed that the separated black sheath tip can remain around the stent saddle, preventing proper expansion.	The most common outcome reasonably foreseeable resulting from the sheath tip separation is prolongation of the procedure to exchange the device for a new one. In cases where the stent is deployed with the separated black sheath tip remaining on the saddle of the stent, the nose cone tip of the delivery catheter is not able to pass through the stent. This can



				lead to breakage of the delivery catheter, which would result in the black sheath tip being left behind on the stent and the nose cone tip along with a portion of the delivery catheter being left behind within the stent. Therefore, the most serious reasonably foreseeable outcome from the black sheath tip separating and remaining on the stent is an additional intervention, either endoscopic or surgical, to remove the stent, retrieve any fragments, and close the puncture site.
17.	Massmart	Bounceking Trampolines (8 Foot, 10 Foot, 12 Foot and 14 Foot)	Product defects are material strength, safety net dimensions, minimum protective covers and warnings and instructions, with inferior spring design.	Possible injury to consumers, high potential risk of customer injury.

3.3 EDUCATION AND AWARENESS

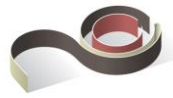
3.3.1 Consumer Education



- i) A total of 11 consumer education initiatives were conducted during quarter at Gauteng, Mpumalanga, KwaZulu-Natal, and Limpopo Provinces. The table below provides a breakdown of activities, topics, and modes of engagements undertaken and used during the reporting period:

Table 5: consumer engagement

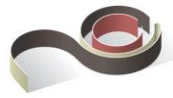
No.	TYPE OF OUTREACH	DATE OF EVENT	PROVINCE	DISTRICT	AUDIENCE & NO. OF ATTENDEES	TOPIC SHARED
1.	Consumer Education Exhibition	16 Oct 2024	Limpopo	Capricorn District Municipality/ Polokwane Municipality	256 Consumers were reached.	“Pyramid and related schemes (Section 43 of the CPA)”
2.	Consumer Education Exhibition	22 Oct 2024	Mpumalanga	Gert Sibande District Municipality/ Msukaligwa Local Municipality	63 Consumers were reached.	“Pyramid and related schemes (Section 43 of the CPA)”
3.	Consumer Education Exhibition	23 Oct 2024	Mpumalanga	Gert Sibande District Municipality/ Mkhondo Local Municipality	162 Consumers in total at Mkhondo Taxi Rank, Mpumalanga were reached	“Pyramid and related schemes (Section 43 of the CPA)”
4.	Consumer Education Exhibition	24 Oct 2024	Mpumalanga	Gert Sibande District Municipality/ Msukaligwa Local Municipality	61 Consumers in total at Ermelo Taxi Rank, Mpumalanga were reached.	“Pyramid and related schemes (Section 43 of the CPA)”
5.	Consumer Education Exhibition	01 Nov 2024	Gauteng	Tshwane Metropolitan	132 Consumers were reached.	Unsafe/ expired foods and product recalls.



6.	Consumer Education Workshop and Exhibition	08 Nov 2024	Gauteng	Tshwane Metropolitan	54 Consumers were reached.	Unsafe/ expired foods and product recalls.
7.	Consumer Education Workshop and Exhibition	21 Nov 2024	Mpumalanga	Ehlanzeni District/	99 Consumers in total were reached	Unsafe/ expired foods and product recalls.
8.	Consumer Education Workshop	03 Dec 2024	KwaZulu-Natal	King Cetshwayo District Municipality/Umfolozzi Municipality	86 Consumers attended the workshop.	Unsafe/ expired foods and product recalls.
9.	Consumer Education Exhibition	04 Dec 2024	KwaZulu-Natal	King Cetshwayo District Municipality/Nkandla Local Municipality	63 Consumers signed the register but more consumers were reached.	Unsafe/ expired foods and product recalls.
10.	Consumer Education Workshop	05 Dec 2024	KwaZulu-Natal	King Cetshwayo District Municipality/City of uMhlathuze	53 Consumers attended the workshop	Unsafe/ expired foods and product recalls.
11.	Consumer Education Workshop	06 Dec 2024	KwaZulu-Natal	King Cetshwayo District Municipality/City of uMhlathuze	30 Consumers signed the attendance register	Unsafe/ expired foods and product recalls.

3.3.2 Business Education

During quarter three (3), 13 targeted workshops and exhibitions were held with SMMES owned by both men and women at Free State, Gauteng, Eastern Cape, North-West, Kwa-Zulu Natal Provinces, respectively. The quarterly target was exceeded due to opportunities of ad-hoc workshops participation that were afforded to the NCC, particularly in response to the Food-borne Illnesses Disaster that has befallen the county, The



workshops were aimed at raising business compliance on Section 55 (The Consumer’s right to Safe, Good Quality Goods) and 56(2) (Consumer’s right to redress) of the Consumer Protect Act No. 68 of 2008.

The table below provides a breakdown of activities, topics, and modes of engagements undertaken and used during the reporting period:-

Table 6: business education

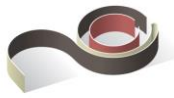
No.	TYPE OF EVENT OUTREACH	DATE	STAKEHOLDERS	PROVINCE	DISTRICT	AUDIENCE	TOPIC SHARED
1.	Workshop	03 Oct 2024	NCC, NCR, DTSA, Truck Store, DTFS, Nedbank, Discovery Medical, Momentum Medical, SARS.	Free State	Matjhabeng Municipality	Women owned SMMEs	Section 55(The Consumer’s right to Safe, Good Quality Goods) and 56(2) (Consumer’s right to redress) of the Consumer Protect Act No. 68 of 2008.
2.	Exhibition	10 Oct 2024	CGSO, SEFA, SEDA, NCR, Department of Health, SARS, Department of Agriculture, Home Affairs	Gauteng	Johannesburg Municipality	Women owned SMMEs	Section 55(The Consumer’s right to Safe, Good Quality Goods) and 56(2) (Consumer’s right to redress) of the Consumer Protect Act No. 68 of 2008.
3.	Workshop and Exhibition	07 Nov 2024	NCC, NCR, EDTEA, ICASA, SARS, Department of Agriculture & Rural	Gauteng	City Johannesburg	SMMEs (men and women)	Section 55(The Consumer’s right to Safe, Good Quality Goods) and 56(2) (Consumer’s right to redress) of the Consumer Protect Act No. 68 of 2008.



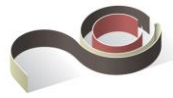
			Development, NYDA, Family Tree Holdings				
4.	Workshop and Exhibition	12 Nov 2024	NCC, NCR, EDTEA, ICASA, SARS, Department of Agriculture & Rural Development, NYDA, Family Tree Holdings	Gauteng	City Johannesburg	SMMEs (men and women)	Section 55(The Consumer's right to Safe, Good Quality Goods) and 56(2) (Consumer's right to redress) of the Consumer Protect Act No. 68 of 2008.
5.	Workshop and Exhibition	14 Nov 2024	NCC, NCR, EDTEA, ICASA, SARS, Department of Agriculture & Rural Development, NYDA, Family Tree Holdings	Gauteng	Mogale City	SMMEs (men and women)	Section 55(The Consumer's right to Safe, Good Quality Goods) and 56(2) (Consumer's right to redress) of the Consumer Protect Act No. 68 of 2008.
6.	Workshop	13 Nov 2024	NCC, SABS, SMMEs & Kabelo Foundation.	Eastern Cape	Makhanda Local Municipality	SMMEs (men and women)	Section 55(The Consumer's right to Safe, Good Quality Goods) and 56(2) (Consumer's right to redress) of the Consumer Protect Act No. 68 of 2008.
7.	Workshop and Exhibition	21 Nov 2024	NCC, the dtic, Ramotshere Local Municipality, North-West Department of Economic Development	North-West	Ramotshere Local Municipality	SMMEs (men and women)	Section 55(The Consumer's right to Safe, Good Quality Goods) and 56(2) (Consumer's right to redress) of the Consumer Protect Act No. 68 of 2008.



			& Tourism, NYDA, SEFA, SARS, NCR.				
8.	Workshop	21 Nov 2024	DESTEA, Tourism Environment Affairs, Small Business Automative Cluster, Department of Economic & Small Business Development	Free State	Motheo Municipality	Women Owned SMME's	Section 55(The Consumer's right to Safe, Good Quality Goods) and 56(2) (Consumer's right to redress) of the Consumer Protect Act No. 68 of 2008.
9.	Workshop	03 Dec 2024	NCC, NEF, Nkandla Municipality	KwaZulu-Natal	King Cetshwayo	SMMEs(men and women)	Section 55(The Consumer's right to Safe, Good Quality Goods) and 56(2) (Consumer's right to redress) of the Consumer Protect Act No. 68 of 2008.
10.	Exhibition	04 Dec 2024	NCC, NEF, Nkandla Municipality,	KwaZulu-Natal	King Cetshwayo	SMMEs (men and women)	Section 55(The Consumer's right to Safe, Good Quality Goods) and 56(2) (Consumer's right to redress) of the Consumer Protect Act No. 68 of 2008.
11.	Workshop	05 Dec 2024	NCC, NEF, Mthonjaneni Municipality	KwaZulu-Natal	King Cetshwayo	SMMEs (men and women)	Section 55(The Consumer's right to Safe, Good Quality Goods) and 56(2) (Consumer's right to redress) of the Consumer Protect Act No. 68 of 2008.
12.	Workshop	05 Dec2024	NCC, NYDA, SEFA, SARS, NCR .	Eastern Cape	Sarah Baartman District	SMMEs (men and women)	Section 55(The Consumer's right to Safe, Good Quality Goods) and 56(2)



							(Consumer's right to redress) of the Consumer Protect Act No. 68 of 2008.
13.	Workshop	06 Dec 2024	NCC, NEF, uMhlatuze Municipality	KwaZulu-Natal	King Cetshwayo District	SMMEs (men and women)	Section 55(The Consumer's right to Safe, Good Quality Goods) and 56(2) (Consumer's right to redress) of the Consumer Protect Act No. 68 of 2008.

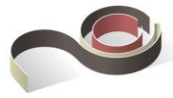


4. Progress Made Against Current Quarterly Milestones

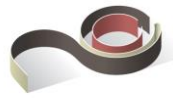
Table 5 below show the progress made against current quarterly milestones.

Table 5: Performance Table

Output Indicator		Target for 2024/25 as per APP	Quarter Three Target as per APP	Quarter Three Actual Output	Reasons for Deviation	Corrective Action	Comments For Quarter Three
1.	Number of market monitoring inspections.	9 market monitoring inspections.	2 market monitoring inspections.	Achieved 6 market monitoring inspections done. 2x Limpopo, 2x KZN, 3x GP, 1x WC, 1x NC and 1x EC	The incidents of poisoned foods necessitated that more inspections be conducted	None	None
2	Time taken to finalize the investigations.	Finalize CTFL matters within 20 business days.	Finalize CTFL matters within 20 business days.	Achieved 100% (30 out of 30) of CTFL investigation reports against non-compliant importers received in this quarter were finalised within 20 business days of receipt.	None	None	None



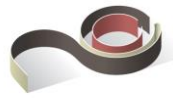
Output Indicator		Target for 2024/25 as per APP	Quarter Three Target as per APP	Quarter Three Actual Output	Reasons for Deviation	Corrective Action	Comments For Quarter Three
3	Number joint initiatives conducted in collaboration with regulatory bodies with concurrent jurisdiction.	1 joint initiative conducted in collaboration with regulatory bodies with concurrent jurisdiction.	1 joint initiative conducted in collaboration with regulatory bodies with concurrent jurisdiction.	<p>Achieved</p> <p>2 joint initiatives were conducted. They are</p> <ol style="list-style-type: none"> 1. An inspection initiative in Mpumalanga conducted with all 9 provincial consumer protectors and the 2 Ombuds. 2. A joint inspection in Naledi following the death of children in the area. It was conducted jointly with SAPS, Department of Health and Gauteng Consumer Protector. 	None	None	None
4	Number of engagements with accredited consumer protection ombud schemes.	4 engagements with accredited consumer protection ombud schemes.	2 engagements with accredited consumer protection ombud schemes.	<p>Achieved</p> <p>2 engagement was held with industry ombuds. 1 with the Motor Industry</p>	None	None	None



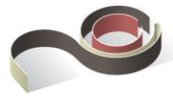
Output Indicator		Target for 2024/25 as per APP	Quarter Three Target as per APP	Quarter Three Actual Output	Reasons for Deviation	Corrective Action	Comments For Quarter Three
				Ombud Scheme (MIOSA) and 1 with CGSO			
5	Percentage of preferential procurement from SMME's in designated groups.	60% of preferential procurement from SMME's in designated groups.	60% of preferential procurement from SMME's in designated groups.	Achieved 100% of SMME's used (6/6) were from designated groups.	None	None	None
6	Number of business education initiatives targeted at companies in industrial parks conducted.	4 business education initiatives targeted at companies in industrial parks conducted.	2 business education initiatives targeted at companies in industrial parks conducted.	Not Achieved	The NCC refocussed efforts to address the poisoned food disaster.	Conduct the initiatives in Q4.	None
7	Number of interns employed by the NCC and accredited ombud schemes namely, MIOSA and CGSO.	20 interns employed by the NCC and accredited ombud schemes namely, MIOSA and CGSO.	10 interns employed by the NCC and accredited ombud schemes namely, MIOSA and CGSO.	Not Achieved	High volume of applicants prolonged the screening of the Curriculum Vitae and shortlisting process.	Recruitment to be completed in Q4.	None



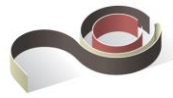
Output Indicator		Target for 2024/25 as per APP	Quarter Three Target as per APP	Quarter Three Actual Output	Reasons for Deviation	Corrective Action	Comments For Quarter Three
8	Time taken to finalize Ponzi scheme and scams investigations.	Finalize investigations into Ponzi Schemes and scams within 40 days.	Finalize investigations into Ponzi Schemes and scams within 40 business days.	Achieved Investigations into 7 schemes were completed in Q3 within 40 business days.	N/A	N/A	None
9	Number of high impact investigation into high priority sectors including steel, food and unsafe goods exploitative supplier practices initiated.	One high impact investigation into high priority sectors including steel, food and unsafe goods exploitative supplier practices initiated.	One high impact investigation into high priority sectors including steel, food and unsafe goods exploitative supplier practices initiated.	Though the target was not applicable in this quarter, the target was exceeded. 6 high impact investigations were initiated. The investigations were against: 1. Namib Mills and Spar Group with regards to alleged poisoned instant porridge. 2. Woolworths and Oceana with regards to	Market intelligence revealed an urgent need to initiate these investigations.	Not Applicable in quarter three	Not Applicable in quarter three



Output Indicator		Target for 2024/25 as per APP	Quarter Three Target as per APP	Quarter Three Actual Output	Reasons for Deviation	Corrective Action	Comments For Quarter Three
				expired and repackaged tinned fish. 3. Shoprite Checkers and BM Foods with regards to listeriosis detected in Deli Humus.			
10	Number of high impact investigations into high priority sectors including steel, food and unsafe goods exploitative supplier practices finalized.	One high impact investigation into high priority sectors including steel, food and unsafe goods exploitative supplier practices finalized.	Not Applicable in quarter three	Though the target was not applicable in this quarter, the target was exceeded. 4 high impact investigations were finalized against: 1. Namib Mills and Spar Group with regards alleged poisoned porridge. 2. Lluvia Nutrition and the House of Natural Butters with to high levels of Aflatoxin in peanut butter	The nature of the issues and the NCC focus on food safety dictated that these investigations be prioritized	Not Applicable in quarter three	Not Applicable in quarter three



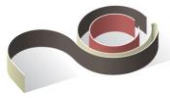
Output Indicator		Target for 2024/25 as per APP	Quarter Three Target as per APP	Quarter Three Actual Output	Reasons for Deviation	Corrective Action	Comments For Quarter Three
11	Percentage of complaints finalized in priority sectors including second-hand cars.	75% of complaints in priority sectors including second-hand cars finalized.	75% of complaints in priority sectors including second-hand cars finalized	Not Achieved 40% To be calculated – 681 out of 1720 complaints in priority sectors including second-hand cars were finalized	The NCC prioritised investigations and market monitoring inspection to address the poisoned food disaster.	In Q4, this target will be prioritized.	None
12	Percentage of cases in favour of the NCC matters brought before the National Consumer Tribunal and/or Courts.	80% success rate in cases presented before the National Consumer Tribunal and Courts.	80% success rate in cases presented before the National Consumer Tribunal and/or Courts.	Achieved 100% success rate (3 out of 3) of a judgement issued by the NCT or Courts during Q3 was in favour of the Commission.	None	None	None
13	Time taken to administer and issue communication on product recalls.	Administer product recalls and issue communication within 20 business days of receipt of receipt of	Administer product recalls and issue communication within 20 business days of receipt of receipt of	Achieved Administered 17 product recalls and issued communication thereon within 20 business days	None	None	None



Output Indicator		Target for 2024/25 as per APP	Quarter Three Target as per APP	Quarter Three Actual Output	Reasons for Deviation	Corrective Action	Comments For Quarter Three
		recall notice from suppliers.	recall notice from suppliers.	of receipt of recall notice from supplier			
14	Percentage of energy-related complaints finalized within a specified period.	Finalize 80% of energy-related complaints within 6 months.	Finalize 80% of energy-related complaints within 6 months.	Not applicable The complaints were received in November and December.	The 6 months period has not yet elapsed.	None	None
15	Number of business education and awareness initiatives targeted at consumers.	16 consumer education and awareness initiatives targeted at consumer conducted.	4 consumer education and awareness initiatives targeted at consumer conducted.	Achieved 13 consumer education and awareness initiatives targeted at consumers were conducted	There were more opportunities for conducting education and awareness initiatives specifically focusing on food safety in response to the food-borne illnesses disaster that was declared	None	None



Output Indicator		Target for 2024/25 as per APP	Quarter Three Target as per APP	Quarter Three Actual Output	Reasons for Deviation	Corrective Action	Comments For Quarter Three
16	Number of business education and awareness initiatives targeted at SMMEs	8 business education and awareness initiatives targeted at SMMEs conducted.	2 business education and awareness initiatives targeted at SMMEs conducted.	Achieved 19 business education and awareness initiatives targeted at SMMEs were conducted	There were additional opportunities for conducting education and awareness initiatives	None	None
17	Number of Education and Awareness Newsletters published.	Publication of Newsletter on NCC interventions and outreach.	Not Applicable in quarter three	Not Applicable in quarter three	Not Applicable in quarter three	Not Applicable in quarter three	Not Applicable in quarter three
18	Percentage of answered calls made to the contact centre.	Answer 90% of calls made to the contact centre.	Answer 90% of calls made to the contact centre.	Achieved 92% on average of calls received through the Contact Centre were answered	Updated Call Centre Systems enhanced productivity	None	None
19	Percentage of availability of complaints handling e-Service System and Website	95% availability of complaints handling e-Service System and Website	95% availability of and Website	Achieved 97% for complaints handling e-Service System and 99% for Website.	None	None	None



Output Indicator		Target for 2024/25 as per APP	Quarter Three Target as per APP	Quarter Three Actual Output	Reasons for Deviation	Corrective Action	Comments For Quarter Three
20	Number of days taken to pay suppliers.	Pay service providers within 20 business days.	Pay service providers within 20 business days.	Achieved An average of 7 business days between the date end user signed the invoice and payment date.	None	None	None



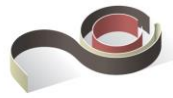
NATIONAL CONSUMER COMMISSION



SECTION C

RISK MANAGEMENT

QUARTER 3
2024-25



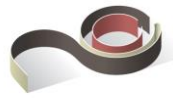
5. Audit and Risk Management

5.1 Progress on actions in the Risk Register

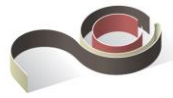
Table 6 below show the progress made on risk register.

Table 6: Risk Register actions

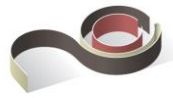
NO	Risk Description	Risk Treatment Plan Required	Responsible Person	Progress on Risk Treatment Plan	Residual Rating
STR 1	Cyber attacks	"1. Regular monitoring and review of cybersecurity controls 2.Regular cybersecurity awareness training 3. Perform network penetration testing to identify weaknesses in controls. 4. Review ICT security and related policies 6. Develop incident response plan 7. Regular review of systems and infrastructure licenses. 8. Systems and infrastructure changes approved by ICT CAB	CIO	"1.Implemented Cybersecurity controls are now monitored weekly using automated tools and manual review processes. Monthly reports are generated and submitted to the Committee. 2. Implemented Quarterly cybersecurity awareness training sessions are conducted for all staff. The completion rate for the last training session was 90%, with follow-up scheduled for non-compliant employees. 6. Implemented	High



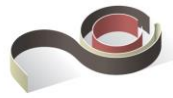
NO	Risk Description	Risk Treatment Plan Required	Responsible Person	Progress on Risk Treatment Plan	Residual Rating
		<p>before implementation to the live systems environment</p> <p>9. Develop data privacy policy</p> <p>10. Business systems access reviews with manual generated evidence (Finance and HR)"</p>		<p>Access reviews for Finance and HR systems are conducted quarterly.</p> <p>7. Implemented</p> <p>A structured schedule has been established to review all active licenses quarterly. License compliance and renewals are being tracked and documented.</p> <p>8. Implemented</p> <p>A CAB approval process is in place. All change requests are logged, assessed, and approved prior to deployment."</p>	
STR 2	<p>Inadequate National footprint to educate consumers and business.</p>	<ol style="list-style-type: none"> 1. Self-initiated workshop 2. Use of media (social, print, electronic, webinars) platforms. 3. Customised presentation to relevant target audience. 	<p>Divisional Head: Education and Advocacy</p>	<p>"1. Implemented</p> <p>Self-initiated workshops were held at KZN and Mpumalanga</p> <p>2. Implemented</p> <p>Social media was used to convey education and awareness messages</p> <p>3. Implemented Presentation were customised for COTTI</p>	Medium



NO	Risk Description	Risk Treatment Plan Required	Responsible Person	Progress on Risk Treatment Plan	Residual Rating
		<p>4. Collaboration with internal and external stakeholders.</p> <p>5. Evaluation forms to measure impact.</p> <p>6. Partnership with institutions of higher learning.</p>		<p>Regulatory Cluster, target audience. A customised presentation relating to unsafe/ Expired Foods and Product Recalls was developed and presented at various platform for specific target audience</p> <p>4.Implemented Collaboration with internal and external stakeholders by hosting a workshops</p> <p>5.Implemented Partnership with other stakeholders happened through various education and awareness initiatives "</p>	
STR 3	Limited inspection capacity and misalignment of existing labelling standards.	<p>"1. Engagement with Departments of DARRLD, DoH</p> <p>2. Draft interpretation of labelling requirements</p>	DH: CID	<p>"1.Implemented Collaboration is happening at Natjoints</p> <p>2. NCC provides advisories "</p>	High



NO	Risk Description	Risk Treatment Plan Required	Responsible Person	Progress on Risk Treatment Plan	Residual Rating
		3. SLA with Departments of DARRLD, DoH."			
STR 5	Inadequate financial resources (budget) to achieve the mandate of the organisation.	"1. Engage DTIC and NT for additional funds to increase the baseline. 2. Engage DTIC to disburse the full grant. "	CFO	"1. Implemented Dtic has pronounced how much will be appropriated to the NCC in the next three years and only inflationary increase has been provided for. The transfer will only be done in April and it is currently premature to request the full amount upfront."	High
STR 6	"Inability to retain suitable qualified, capable and skilled workforce. "	"1. Engage DTIC by communicating ideal financial requirement of the NCC through the MTEF process. 2. Identification and training of critical skills. 3. Initiate the process to align the remuneration structure to the OSD.	CFO	"1.Implemented Dtic has pronounced how much will be appropriated to the NCC in the next three years and only inflationary increase has been provided for. The transfer will only be done in April and it is currently premature to request the full amount upfront."	High



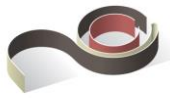
NO	Risk Description	Risk Treatment Plan Required	Responsible Person	Progress on Risk Treatment Plan	Residual Rating
		4. Initiate the process filling of critical unfunded vacant position in the approved structure. "			

5.2 **Progress against Internal Audit Findings Matrix**

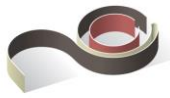
Table 7 below show the progress made internal audit matrix.

Table 7: IA Matrix

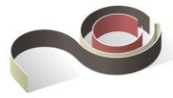
No.	Audit Findings	Audit Finding Description	Auditors' Recommendation	Implementation period		Management Action	Responsible Manager	Progress Made	Status (Open/closed)
				Due Date	Completed Date				
1.	Delayed Resolution and	During the presentation of the 4th quarter report to the Audit and Risk Committee	Management is urged to ensure timely updating of the Standard Operating Procedure (SOP) as			There is a change of processes happening at NCC	Company Secretary	There is a change of processes happening at NCC	Open



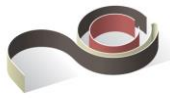
No.	Audit Findings	Audit Finding Description	Auditors' Recommendation	Implementation period		Management Action	Responsible Manager	Progress Made	Status (Open/closed)
				Due Date	Completed Date				
	Documentation Deficiency Of Standard Operating Procedure (Sop)	on April 22, 2024, management stated that the issue described below had been resolved. However, upon further review and our request for documentation to confirm the revision of the SOP, management was unable to furnish the requested materials at the outset of our audit in early May 2024. Despite management's assertion that the gaps were closed as of March 28, 2024, and their clear indication that the SOP had been reviewed and approved in March 2024, the final SOP was sent to internal auditors only on June 19, 2024, after	previously highlighted in the Q1 Internal Audit Report, incorporating and obtaining approval for the addressed issues outlined above. Given the critical importance of these recommendations for improving NCC's operational effectiveness and accountability, Internal Audit recommends that NCC prioritize their integration into the revised SOPs without further delay. This will not only address the findings highlighted in the Q1 audit report, but also strengthen NCC's resilience and responsiveness.			as such various SOPs, TOR's and Committees are being reviewed. All SOPs will be updated in Q4, however there is a draft in place.		as such various SOPs, TOR's and Committees are being reviewed. All SOPs will be updated in Q4, however there is a draft in place.	



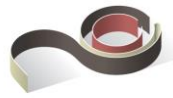
No.	Audit Findings	Audit Finding Description	Auditors' Recommendation	Implementation period		Management Action	Responsible Manager	Progress Made	Status (Open/closed)
				Due Date	Completed Date				
		completion of the audit work. Regrettably, it did not address the concerns raised in the Q1 internal audit report.							
2.	NOTABLE DELAYS IN APPROVING CASES FOR INVESTIGATIONS	The audit review revealed significant delays in finalizing investigation cases. from the initial receipt of cases to the approval of certificates,	<p>Establish a strict and transparent First-In, First-Out (FIFO) policy for the processing of all referrals for investigation, with regular monitoring to ensure adherence.</p> <p>Develop standardized timelines and key milestones for the investigation process, ensuring that progress is tracked, and any deviations are flagged for immediate corrective action.</p> <p>Evaluate current resource allocation and investigate if additional staffing or technology</p>	Q4		<p>To list all complaints received in terms of dates received</p> <p>Include age analysis of complaints in all complaints' reports presented at Manco and EXCO</p> <p>Prioritize the older complaints in allocation for investigation.</p>	DH:CI	To be implemented in quarter 4	Open



No.	Audit Findings	Audit Finding Description	Auditors' Recommendation	Implementation period		Management Action	Responsible Manager	Progress Made	Status (Open/closed)
				Due Date	Completed Date				
			<p>solutions are required to improve efficiency in handling cases.</p> <p>Introduce regular performance reviews and reporting mechanisms to monitor the age of open cases and identify bottlenecks. This would allow for proactive management intervention to address delays.</p> <p>While adhering to the FIFO principle, introduce a prioritization framework that ensures urgent or high-risk cases are expedited, while maintaining overall process efficiency.</p>						
3.	SIGNIFICANT DELAYS IN ENFORCEMENT	The audit review revealed significant delays in finalizing investigation cases, from the initial	The SOP for handling Further Enforcement matters should be revised to explicitly include the process for cases that are	Q3		Amendment of the SOP for Handling Further Enforcement	HOD: Enforcement and	SOP has been amended and is being implemented	Closed



No.	Audit Findings	Audit Finding Description	Auditors' Recommendation	Implementation period		Management Action	Responsible Manager	Progress Made	Status (Open/closed)
				Due Date	Completed Date				
	MENT OF CASES	receipt of the cases to the approval of certificates. These delays significantly exceed the expected timeframes,	<p>returned to the Investigation Unit for further investigation and subsequently re-assessed by the Enforcement and Legal Services Unit. Specifically, the revised SOP should:</p> <p>Clearly define the steps for re-assessment of the investigation report once it is returned to the Enforcement and Legal Services Unit.</p> <p>Establish guidelines for tracking and documenting both the initial assessment and the re-assessment, ensuring that the correct assessment date is used when calculating timelines for lodging cases with the Tribunal.</p>			<p>Matters: The introduction of a Screening Committee necessitated an amendment to the SOP, which officially came into effect on 1 October 2024.</p>	Legal Services		



No.	Audit Findings	Audit Finding Description	Auditors' Recommendation	Implementation period		Management Action	Responsible Manager	Progress Made	Status (Open/closed)
				Due Date	Completed Date				
			<p>Implement a process to ensure that all relevant parties are informed of the re-assessment procedures, including auditors and staff, to avoid confusion regarding timeline calculations.</p> <p>Review and update the SOP periodically to ensure it remains aligned with operational practices and regulatory requirements.</p>						

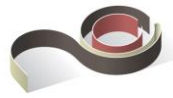
5.3 Progress against External Audit Findings Matrix

Table 8 below show the progress made on the audit matrix.

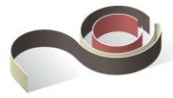
Table8: Progress made on external audit findings



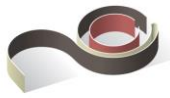
No.	Audit Findings	Audit Finding Description	Auditors Recommendation	Implementation period		Management Actions	Responsible Manager	Progress Made	Finding open or closed
				Start Date	End Date				
1.	Enforcement action register	During our detailed testing of Programme 4: Improved compliance through Enforcement of the Act (Indicator 8) we noted that, and indicator specific register is not maintained by the Legal division. All	Recommendation is that an indicator specific register for each performance target is maintained by the NCC to streamline the audit process.			Management will develop and maintain separate registers for each deliverable.	DH: L&E	A separate register for CTFL and Conventional Matters has been developed and maintained.	Closed



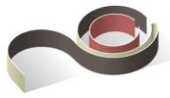
		enforcement actions are grouped together on one Enforcement action register.							
2.	IT Access Management.	<p>List of new users created on the financial application requested, was not provided. In addition, sample of completed request form was not provided for new user created.</p> <p>List of amendment / modification of users account on the financial application requested, was not provided. In addition, sample of completed request form was not</p>	<p>"•Recommended that management should provide information requested for audit purposes in a timely manner.</p> <p>•The generic LAR & Associates 'Administrator' account on the SAGE 300 (Finance) user list</p> <p>•Management should be deactivated as it violates the Segregation of Duties principle. The administrative</p>		Q3	<p>Management will review the ICT Security Policy and related procedures. Sage system access will be reviewed and signed off by relevant management.</p> <p>Audit logger evidence will be appended to the reviews where possible</p>		<ol style="list-style-type: none"> 1. Sage audit logging implemented. 2. Sage audit logging implemented. 3. Access Review containing system-generated lists from Sage 300 ERP audit logger for Finance and logs from Sage 300 People was performed. 4. Review of the ICT security policy to be finalised in Q3 5. Access Review containing system-generated lists from 	Open



		<p>provided for amendment / modification.</p> <p>List of users account that were suspended / disabled / terminated on the financial application requested, was not provided. In addition, evidence of request to IT to suspend / disable / terminate account was not provided.</p> <p>While the IT Security policy, states that "user access reviews on SAGE 300 should be performed 'at least bi-annually by</p>	<p>account can be used to perform changes on the SAGE application (development environment) and perform administration activities in the production environment. The risk is further exacerbated by the absence the audit logger.</p> <p>•ICT management should perform regular reviews on the AD and disable accounts that have been dormant for more than 60 days as</p>					<p>Sage 300 ERP audit logger for Finance and logs from Sage 300 People was performed.</p> <p>6. Support personnel on Sage 300 ERP use their credentials, not the system admin account. The system admin account should not be deleted as per Sage.</p> <p>7. No action is required. The list from manage engine is available</p> <p>8. No action required . The list from Managed Engine is available</p> <p>9. Review of the ICT security policy to be finalised in Q3</p> <p>10. Review of the ICT security policy to be finalised in Q3"</p>	
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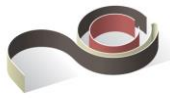
		<p>the Network Administrator, System Custodian and the Senior Manager (ICT)", evidence of such review was not provided.</p> <p>"</p> <p>While the IT Security policy, states that "administrator/controller activities review on SAGE 300 should be performed by a supervisor", evidence of such review was not provided.</p> <p>Through inspection of the user list obtained from the</p>	<p>required by the IT Security Policy.</p> <ul style="list-style-type: none"> •NCC should ensure that the SAGE environment has the ability to capture and maintain access and activity logs. The Log files should be protected from tampering, proactively analysed on a regular basis, and retained for a minimum of 12 months. •The User Access Management Procedure should be updated and aligned with the IT Security Policy regarding the 						
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		<p>application, a frequency of user generic access reviews." "administrator" account was identified with no valid reason provided.</p> <p>List of new users created on the Active Directory requested, was not provided. In addition, a sample of completed request forms was not provided for new users created.</p> <p>List of users account that were suspended / disabled / terminated on the Active Directory</p>						
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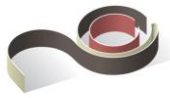
		<p>requested, was not provided. In addition, evidence of request to IT to suspend / disable / terminate account was not provided.</p> <p>Two user accounts on the Active Directory were inactive for more than 60 days. The IT security policy requires that the accounts be disabled after 60 days of inactivity.</p> <p>There is misalignment between the IT Security Policy that requires that</p>							
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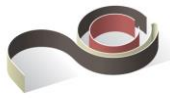
		<p>user access reviews should be performed bi-annually, while the User Access Management Procedure requires that user access reviews should be performed on an annual basis.</p>							
3.	<p>IT Program Change Management – (Sage 300 (Finance), Sage VIP and Active Directory)</p>	<p>While the NCC ICT Change Management Policy includes some guidance on the change management process, the policy did not provide guidance on the migration of changes from the development to the</p>	<p>"•Management should develop and implement an ICT Change Management Standard Operating Procedure (SOP) based on the outlined key elements in the findings. The SOP should provide a standardized step-by-step process for</p>		Q3	<p>Management to review the ICT Change Advisory Board (CAB) TOR and implement the recommendations in the ICT service desk system.</p>	CIO	<p>"Revised ICT Change Advisory Board TORs were approved on 20-09-2024. Members of the ICT Change Advisory Board were appointed. The Motadata Service Desk system is already configured to classify changes. Since the ICT Change Advisory Board</p>	Open



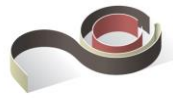
		<p>production environment, and the migration of data during new system implementations.</p> <p>The adopted ICT Help desk solution does not classify changes into 'Emergency, Standard & Pre-approved' as required by the ICT Change Management policy.</p> <p>A Data Conversion Policy statement and a Standard Operating procedure that defines management of data</p>	<p>executing Change Management procedures.</p> <p>Furthermore, the document should be communicated to all personnel involved in change management processes and regularly updated to reflect evolving best practices and lessons learned.</p> <p>•Management should develop a Data Conversion Policy and a Standard Operating procedure.</p> <p>The Data Conversion Policy and SOP should include.</p> <p>1. Guidelines for data conversion activities,</p>					<p>has been constituted formally, the change control process will be followed as per policy.</p> <p>Commenced with the Draft SDLC policy which incorporates data conversion management to address the finding."</p>	
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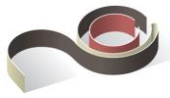
		<p>conversion/migration to ensure the accuracy, completeness, and integrity of converted data, was not in place.</p> <p>Consequently, the following key minimum elements could not be determined during the review of Data Conversion process at NCC:</p> <ul style="list-style-type: none">- Guidelines for data conversion activities, including balancing and reconciliation.- The role of management in approving and	<p>including balancing and reconciliation.</p> <p>2. The role of management in approving and monitoring the conversion process."</p>						
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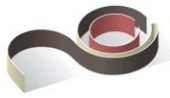
		monitoring the conversion process."							
4.	IT Service Continuity Management	"A documented and approved Disaster Recovery Plan (DRP), that describes how the NCC can quickly resume IT operation after an unplanned incident, was in place at NCC. However, the following key minimum elements could not be determined by reviewing the DRP: - That a business impact analysis (BIA) was performed prior to	"Recommended that a BIA should be performed, and the results used to inform the priority of systems that should be run during the subsistence of a disaster. •The RTO and RPO should be documented for the critical applications within the NCC. •Conduct a comprehensive IT Disaster Recover testing to validate its effectiveness and identify any gaps or areas for		Q3	"Once the BIA is conducted RTO and RPO for critical systems will be determined and documented. The revised DR plan is planned for finalisation by quarter 3 The BIA will inform the type of DR services that ICT should look for."	CIO	" BIA could not be finalised in Q3. The procurement process for new colocation and DR as a service provider has commence. DR testing for the website concluded successfully on 29 September 2024.	Open



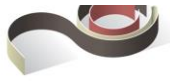
		documenting the DRP. - The required individual system Recovery Time Objectives (RTO) and Recovery Point Objectives (RPO)." Furthermore, it was determined through enquiry that DRP testing was not conducted during the period under review.	improvement. This testing should include simulated disaster scenarios and involve relevant stakeholders to ensure readiness and familiarity with recovery procedures"						
5.	IT Security Management	"It was noted that an IT Security policy and Incident Management Procedure outlines how the NCC plans to protect its Information Technology (IT),	"Recommended that management Implement a management process for vulnerability scanning and investigation, including regular		Q3	The firewall policy and procedures will be updated to incorporate IPS reviews in line with current attainable processes.	CIO	Review of the ICT security and Firewall policies will be finalised in Q4	Open



		<p>which ensure the Confidentiality, Integrity and Availability of financial systems and subsequent business activities were in place. However, the IT security policy framework did not provide guidance on the following:</p> <ul style="list-style-type: none">-Management and review of alerts generated by the Intrusion Prevention and/or Detection System (IPS/IDS). The IT function however monitored alerts from the IPS	<p>vulnerability assessments and penetration testing.</p> <ul style="list-style-type: none">•A procedure outlining how security alerts are generated by the Intrusion Prevention System should be processed for meaningful insights."						
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		<p>during the period under review.</p> <p>-The performance of vulnerability assessments and penetration testing to identify weaknesses within the network. The IT function however performed a penetration test in July."</p>							
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6. FINANCIAL PERFORMANCE

6.1 Revenue for the Period

6.1.1 The NCC has an allocated budget for the financial year of R69 120 000 as per the Allocation letter. The total amount has been received. An application was also made to the National Treasury for permission to retain and use surplus funds to the value of R12,8 million generated in the prior financial year. Permission has been granted, and the budget has been adjusted accordingly.

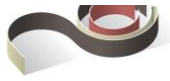
6.1.2 The total amount allocated for the 2025/26 and 2026/2027 financial year is R71.3 million and R73,8 million, respectively. This is due to the reduction in the baseline of R8,8 million in the 2025/26 and R10 million in the 2026/27 financial year.

6.1.3 Funds that were 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 R2 293 241 was earned as at the end of December 2024.

6.1.4 The summary of movements in revenue for the financial year against the budget is indicated in Table 9 below:

Table9: Revenue Expectations for the current and future years

Description of item	Annual Budget	Adjustment	Final budget	Year to date budget	Year to date actual	Variance
Government grants	69 120 000	-	69 120 000	69 120 000	69 120 000	-
Interest income	4 950 000	(1 950 000)	3 000 000	2 475 000	2 293 241	181 759

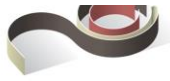


Description of item	Annual Budget	Adjustment	Final budget	Year to date budget	Year to date actual	Variance
Other Income	-	-	-	-	22 961	(22 961)
Retention of Surplus	-	12 805 249	12 805 249	12 805 249	12 805 249	-
Total Budget	74 070 000	10 855 249	84 925 249	84 400 249	84 241 452	158 797

6.2 Expenditure against the budget per economic classification

Table 10 below provides a summary of expenditure against the budget per economic classification.

Table 10: Summary of expenditure against the budget per economic classification.



Description of item	Approved Annual Budget	Adjustment	Final budget	YTD Budget	YTD Actual expenditure	YTD Variance	Remaining Budget for the 2025 Financial Year
Compensation of employees	50 854 306	-	50 854 306	38 600 765	38 064 245	536 520	12 790 061
Goods and services	23 215 694	10 303 252	33 518 946	23 416 889	21 748 071	1 668 818	11 770 875
Capital	-	551 997	551 997	551 997	528 997	23 000	23 000
Total Expenditure	74 070 000	10 855 249	84 925 249	62 569 651	60 341 313	2 228 338	24 583 936

6.2.1 Compensation of employees indicates an underspending of R536,520. This is attributable to savings generated by vacant positions.

6.2.2 Goods and services expenditure is underspending by an amount of R1,668,818.

6.2.3 Even though the variance on goods and services is positive, it does not translate to availability of excess funds. This is attributable to the timing difference between the rendering of services and receipt of invoices. While such expenses are ordinarily accrued, the expenditure cannot be estimated such as legal costs. The NCC is a litigant in a number of matters where invoices are yet to be received. Furthermore, SABS is also yet to bill for some of the variable costs such as water and electricity.

6.2.4 Table 11 below shows overall expenditure variances.

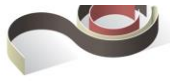
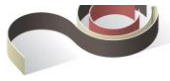
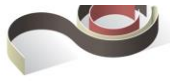


Table11: Expenditure Variances.

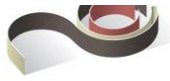
Description of item	Approved Annual Budget	Adjustment	Final budget	YTD Budget	YTD Actual	YTD Variance	YTD Variance (%)	Remaining Budget for the 2025 Financial Year	Explanations
2024/25									
Government grants	69 120 000		69 120 000	69 120 000	69 120 000	-	-	-	
Interest Income	4 950 000	(1 950 000)	3 000 000	2 475 000	2 293 241	181 759	7%	706 759	
Other Income	-	-	-	-	22 961	(22 961)	100%	(22 961)	
Retention of Surplus	-	12 805 249	12 805 249	12 805 249	12 805 249	-	-	-	
Total Revenue	74 070 000	10 855 249	84 925 249	84 400 249	84 241 452	158 797	0%	683 797	
Compensation of employees									
Salary & Wages	44 518 228	-	44 518 228	33 848 706	33 943 296	(94 590)	0%	10 574 932	
Social contributions	6 336 078	-	6 336 078	4 752 059	3 607 435	1 144 623	24%	2 728 643	
Leave provision expense	-	-	-	-	513 513	(513 513)	-	(513 513)	
Total Compensation of Employees	50 854 306	-	50 854 306	38 600 765	38 064 245	536 520	1%	12 790 061	



Description of item	Approved Annual Budget	Adjustment	Final budget	YTD Budget	YTD Actual	YTD Variance	YTD Variance (%)	Remaining Budget for the 2025 Financial Year	Explanations
Goods and services									
Audit Committee fees	415 000	-	415 000	311 250	289 328	21 922	7%	125 672	
Advertising	200 000	900 000	1 100 000	375 000	132 020	242 980	65%	967 980	6.3.1
Assets <R5000	20 000	-	20 000	20 000	101 961	(81 961)	-100%	(81 961)	6.3.2
External audit fees	1 100 000	-	1 100 000	1 100 000	1 118 392	(18 392)	-2%	(18 392)	
Bank charges	43 000	-	43 000	32 250	27 463	4 787	15%	15 537	
Catering and consumables	169 000	-	169 000	126 750	428 792	(302 042)	-238%	(259 792)	6.3.3
Communication costs	1 415 829	-	1 415 829	1 061 872	897	1 060 975	100%	1 414 932	6.3.4
Computer services	2 680 815	3 208 017	5 888 832	2 812 616	2 216 070	596 546	21%	3 672 763	6.3.5
Consultants	702 615	720 000	1 422 615	706 962	598 880	108 082	15%	823 736	
Insurance	160 000	90 000	250 000	142 500	125 889	16 611	12%	124 111	
Internal Audit fees	657 510	-	657 510	493 133	384 170	108 963	22%	273 340	



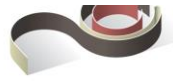
Description of item	Approved Annual Budget	Adjustment	Final budget	YTD Budget	YTD Actual	YTD Variance	YTD Variance (%)	Remaining Budget for the 2025 Financial Year	Explanations
Lease payments	356 112	(100 000)	256 112	242 084	191 718	50 366	21%	64 394	
Legal fees	870 000	1 392 740	2 262 740	2 045 240	2 353 683	(308 443)	-15%	(90 943)	6.3.6
Printing and publication	200 000	-	200 000	150 000	61 079	88 921	59%	138 921	
Postage and courier	54 000	(23 845)	30 155	34 539	11 586	22 953	66%	18 569	
Stationery	150 000	-	150 000	150 000	179 011	(29 011)	-19%	(29 011)	
Subscriptions and membership	27 000	50 000	77 000	70 250	103 657	(33 407)	-48%	(26 657)	6.3.7
Software Licenses	4 989 361	1 060 006	6 049 367	4 007 022	3 359 666	647 356	16%	2 689 701	6.3.8
Repairs and Maintenance	156 000	-	156 000	117 000	12 883	104 117	89%	143 117	
Training and staff development	200 000	300 000	500 000	225 000	26 600	198 400	88%	473 400	
Travel and subsistence	1 284 430	2 706 334	3 990 764	3 669 657	2 921 934	747 722	20%	1 068 830	6.3.9
Depreciation and Amortisation	-	-	-	-	1 364 074	(1 364 074)	-100%	1 364 074	6.3.10
Water and Electricity	1 413 298	-	1 413 298	1 059 974	561 583	498 391	47%	851 715	6.3.11



Description of item	Approved Annual Budget	Adjustment	Final budget	YTD Budget	YTD Actual	YTD Variance	YTD Variance (%)	Remaining Budget for the 2025 Financial Year	Explanations
Property costs	38 674	-	38 674	29 006	19 815	9 190	32%	18 859	
Cleaning	71 616	-	71 616	53 712	53 712	-	0%	17 904	
Security	163 666	-	163 666	122 750	109 110	13 640	11%	54 556	
Property rental	5 677 767	-	5 677 767	4 258 325	4 994 099	(735 774)	-17%	683 668	6.3.12
Total goods and services	23 215 694	10 303 252	33 518 946	23 416 889	21 748 071	1 668 818	7%	11 310 840	
Total	74 070 000	10 303 252	84 373 252	62 017 654	59 812 316	2 205 338	4%	24 100 901	
Computer Equipment	-	334 497	334 497	334 497	311 497	23 000	7%	23 000	
Furniture and Fixtures	-	217 500	217 500	217 500	217 500	-	-	-	
Total capital budget	-	551 997	551 997	551 997	528 997	23 000	4%	23 000	
Total NCC Budget	74 070 000	10 855 249	84 925 249	62 569 651	60 341 313	2 228 338	4%	24 123 901	

6.3 Explanations for material variances and remedial actions

6.3.1 Advertising- Underspending



The budget is utilized mainly for the filling of vacancies and other marketing campaigns. Material expenditure is expected in the last quarter with activities relating to the world consumer rights day.

6.3.2 Assets less than R5000- Overspending

The unfavorable variance is due to the headsets purchased for staff to connect to the new telephone system. The NCC has recently improved its Office Voice Solution and disconnected from the SABS telephone system with Microsoft teams being used to make and receive calls. There was therefore a need to procure headsets for some members of staff.

6.3.3 Catering and Consumables- Overspending

The variance is due to the order for promotional materials that was placed in the prior year and delivery was completed in the current financial year.

6.3.4 Communication Costs- Underspending

The positive variance is due to pending invoices from the South African Bureau of Standards before SABS telephone system was discontinued and implementation of the new voice solution. Funds remaining on the account subsequent to processing of delayed invoices will be transferred to other priorities within the ICT department.

6.3.5 Computer Services- underspending

This is due to funds allocated for some items in the procurement plan such as ICT Infrastructure migration for which expenditure has not been incurred as procurement is underway.



6.3.6 Legal fees- Overspending

The overspending is attributable to an increasing trend of appeals on matters that were decided on behalf of the NCC by the tribunal. The NCC is as a result compelled to appoint attorneys to handle such matters on behalf of the NCC at the relevant courts. More invoices are still anticipated for the remainder of the financial year. It is difficult to estimate the costs that will be incurred in the coming months.

6.3.7 Subscriptions and membership- Overspending

The adverse variance is linked to underbudgeting. Variance will be monitored in relation to other items of goods and services that are underspending to ensure that overall goods and services line item is kept within the available budget.

6.3.8 Software Licenses-underspending

The underspending is linked to various licenses on the procurement plan for which procurement is yet to be finalised.

6.3.9 Travel and subsistence.

The variance is due to the funds that were added to fund increasing levels of travel within the organisation especially due to market monitoring activities. Even though the account indicates a positive variance, it is expected that all the funds will be utilized by the end of the financial year.

6.3.10 Depreciation

This is a non-cash item which will have a positive overall impact on the NCC's funds.



6.3.11 Water and Electricity-Underspending

The underspending is due to the fact that the invoices are yet to be received from SABS (delayed billing).

6.3.12 Property Rental- Overspending

The difference between expenditure is mainly due to the straight lining of the lease rental in terms of GRAP and the property rates which were underbudgeted.

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

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

6.4.2 The implementation of the procurement plan is being monitored.

6.4.3 The budget adjustment has been implemented.

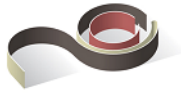


6.5 Progress on the Implementation of the Procurement Plan

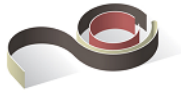
Table 12 provides progress on the implementation of the procurement plan.

Table 12: Progress on the Implementation of the Procurement Plan

No.	Project Description	Estimated Value (incl. taxes)	Date Service Required	Comments
1	External Audit Services for 36 months	R 3 300 000.00	01 June 2025	<p><u>November 2024</u></p> <p>Approved submissions and Terms of Reference were received on 08 November 2024, BSC was scheduled on 19 and 20 November 2024. The BSC Committee returned the Terms of Reference back to the end-user for necessary improvements.</p> <p><u>December 2024</u></p> <p>No activity in December as terms of reference are still pending.</p>
2	Internal Audit Services for 36 months	R1 971 000.00	23 March 2025	No activity in December as terms of reference are still pending.
3	Back-end Infrastructure Support for a period of 36 months	R4 301 393.76	01 November 2024	<p><u>July 2024</u></p> <p>The project manager has submitted the draft Terms of Reference and the BSC will convene during the month of August 2024. However, there is a need to review the</p>



No.	Project Description	Estimated Value (incl. taxes)	Date Service Required	Comments
				<p>budget as the project was significantly underfunded, halt or discontinue certain other projects to relieve financial pressures.</p> <p>There is also a need to clear some uncertainties relating to potential office moves before this project can be commenced.</p> <p><u>August 2024</u></p> <p>Due to a communication received from SABS to move the NCC infrastructure from their premises by January 2025, ICT department will request an extension of the current contractual services for a period of six months.</p> <p><u>September 2024</u></p> <p>ICT is in the process of preparing an extension of current services for a period of three months. In addition, SCM is awaiting the approval and draft TOR for the move of the infrastructure. A tentative BSC has been scheduled for 21 October 2024.</p> <p><u>October 2024</u></p> <p>The contract has been extended to 31 January 2024. Procurement process to commence after the Special</p>



No.	Project Description	Estimated Value (incl. taxes)	Date Service Required	Comments
				<p>EXCO meeting expected to take place in November 2024 around issues of Migration of ICT infrastructure.</p> <p><u>November 2024</u></p> <p>A tender for datacenter cloud hosting and connectivity which replaces back-end infrastructure support has been advertised on 25 November 2024, Briefing session is scheduled for 03 December 2024, with a closing date of 17 December 2024 at 11am.</p> <p><u>December 2024</u></p> <p>The closing date was extended to 13 Jan 2025 to accommodate the festive season bid freeze which was from 13 Dec 2024 to 10 Jan 2025.</p>
4	Microsoft Licenses	R 900 000.00	01 April 2025	Service due by the end of the financial year 2024/25. Terms of reference not yet received.
5	FortiGate Firewall License for 12 months	R 1 400 000.00	12 May 2024	The purchase order was raised on 17 May 2024. Transaction has therefore been concluded.
6	Web Application Firewall	R 700 000.00	Immediate	<p><u>December 2024</u></p> <p>The bid was not approved as the response was not enough for a closed bid, therefore need to be reissued if directed by the ICT team. ICT team has been alerted</p>



No.	Project Description	Estimated Value (incl. taxes)	Date Service Required	Comments
				to submit a submission for SCM to restart the process.
7	Panel of Attorneys	Not applicable	Immediate	<u>December 2024</u> The panel of attorneys was appointed on 09 December 2024.
8	Veeam Subscription	R 500 000.00	01 March 2025	<u>December 2024</u> Terms of reference not yet received.
9	HP Subscription	R 600 000.00	01 March 2025	<u>December 2024</u> Terms of reference not yet received.



NATIONAL CONSUMER COMMISSION

012 428 7000

www.thencc.org.za

Enquiries@thencc.org.za

@TheNCC_RSA

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