

**Briefing on the Quarter 1 to 3 Report – 2021/22 of the
NATIONAL CONSUMER TRIBUNAL to the Portfolio
Committee of the DTIC**

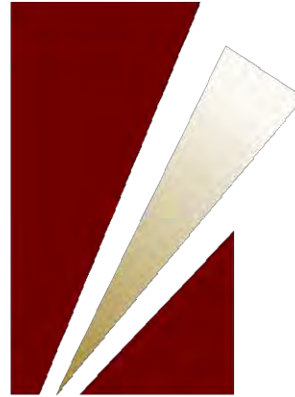
Presented by

Prof Joseph M. Maseko Executive Chairperson

and

Lucky Rabotapi – Acting Chief Operating Officer

23 March 2022



national consumer tribunal

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1. Measurable Objectives – Pre-populated Scorecard

Measurable objective summary (1 April 2021 – end December 2021)

	Quarter 1	Quarter 2	Quarter 3	Year to date	Variance
Percentage of measurable objectives achieved for the specified period	77.77%	80%	80%	79.25%	20.75%

1. Measurable Objectives – Pre-populated Scorecard...

No	Output	Performance measure	Annual target	Quarter 1	Quarter 2	Quarter 3	1 April 2021 – end Dec 2022	Variance	Corrective action
1	Responsive timeous service to stakeholders in line with mandate	Average number of days from date of filing of DRA to date of issuing order to filing parties	65 days	42,44 days	27,72 days	23,20 days	31,70 days	Exceeded	None
2.	Responsive timeous service to stakeholders in line with mandate	Average number of days from date of close of pleadings of non-DRA to date of issuing notice of set down to filing parties	15 days	14,94 days	9,64 days	7,17 days	11,83 days	Exceeded	None
3.	Responsive timeous service to stakeholders in line with mandate	Average number of days from date of final adjudication of non-DRA to date of issuing judgement to filing parties	20 days	9,2 days	9,03 days	13,92 days	10,81 days	Achieved	None

1. Measurable Objectives – Pre-populated Scorecard...

No	Output	Performance measure	Annual target	Quarter 1	Quarter 2	Quarter 3	1 April 2021 – end Dec 2022	Variance	Corrective action
4	High quality adjudication decisions that create consistent jurisprudence in consumer, credit and debt intervention matters	Number of cases overturned on review in Supreme Court	0 cases	0 cases	0 cases	0 cases	0 cases	None	None
5.	Co-operation & information sharing on permissible matters between regulatory system stakeholders	Number of structured interactions and engagements with external stakeholders including events, structured meetings and joint forums at which presentations were made	20 engagements	5 engagements	5 engagements	5 engagements	15 engagements	None	None
6	Talented people available to execute on NCT strategy & mandate across the NCT organisation structure	Percentage of filled positions on approved organisation structure	85%	96.07%	96,07%	92.45%	94,86%	Exceeded	None

1. Measurable Objectives – Pre-populated Scorecard...

No	Output	Performance measure	Annual target	Quarter 1	Quarter 2	Quarter 3	1 April 2021 – end Dec 2022	Variance	Corrective action
7	Youth with employable skills and knowledge	Number of interns employed through structured opportunities created for youth development	8	N/A-annual target with no defined milestones iro Q1	N/A-annual target with no defined milestones iro Q2	N/A-annual target with no defined milestones iro Q3	Although this is an annual target with no quarterly milestones in respect of Q1,2 and 3, the NCT has already appointed 6 interns at the end of Q3	None	None
8	Stable ICT enterprise architecture	% systems availability during business hours	98%	99.36%	99.59%	94.80%	97.92%	0.08%	Resolved a major failure of the main storage unit on our network and server infrastructure
9	Safe and secure ICT enterprise architecture	% of identified CMS mission critical ICT systems and user guide components & functions fully documented	100%	N/A	100%	N/A	100%	None	None



1. Measurable Objectives – Pre-populated Scorecard...

No	Output	Performance measure	Annual target	Quarter 1	Quarter 2	Quarter 3	1 April 2021 – end Dec 2022	Variance	Corrective action
10	Safe & secure ICT enterprise architecture	Number of designated security assessments implemented	2 (1 internal and 1 external) penetration tests completed & results reviewed	N/A	N/A	Achieved	2 (1 internal and 1 external) penetration tests completed & results reviewed in Q3	None	None
11	Optimal use of financial resources	Amount outstanding on debtors (excluding pre-payments) older than 60 days	Rnil	R211000 versus a credit balance of R789 000	R179700 in Q2 vs R834 266 income received in advance.	R122500		Not achieved. The amount reflected includes debtors from previous financial years	Management has taken steps to recover the said amount from the Debt Counsellors, some of whom have credit in the e-purse account.
12	An enabling ICT Enterprise Architecture that supports and delivers on the NCT's future requirements	Identified mission-critical ICT components & applications successfully implemented	Identified system components & applications implemented	N/A	N/A	N/A	Unable to implement as NCAA rules and regulations have not been gazetted by dtic.	None	Awaiting dtic to publish the rules and regulations for the NCAA

1. Measurable Objectives – Pre-populated Scorecard...

No	Output	Performance measure	Annual target	Quarter 1	Quarter 2	Quarter 3	1 April 2021 – end Dec 2022	Variance	Corrective action
13	NCT people with relevant skills and competencies to enable them to work in a digitally transformed workplace	Right people with the right digital technology skills in place to work successfully in the workplace of the future (inside or outside NCT) % of identified re-skilling & upskilling interventions successfully Completed	90%	Not achieved	Not achieved	99,5%	99,5%	The Training plan commenced only in Quarter 3	None

1. Measurable Objectives – Pre-populated Scorecard...

Summary

- Achieved objectives 23 out of 29 – 79,31%
- Not achieved objectives 6 out of 29 – 20,69%
- Exceeded objective 17 out of 29, amounting to 58,62 %

2. Key highlights

Item	Type of Matter	1 April 2021 – end December 2021
1	Non-DRA's	183 final judgments had been issued after a hearing had taken place (inclusive of matters settled and confirmed by the Tribunal) Turnaround : 10,81 days
2	DRA's	20,544 adjudicated orders have been issued Turnaround: 31,70 days

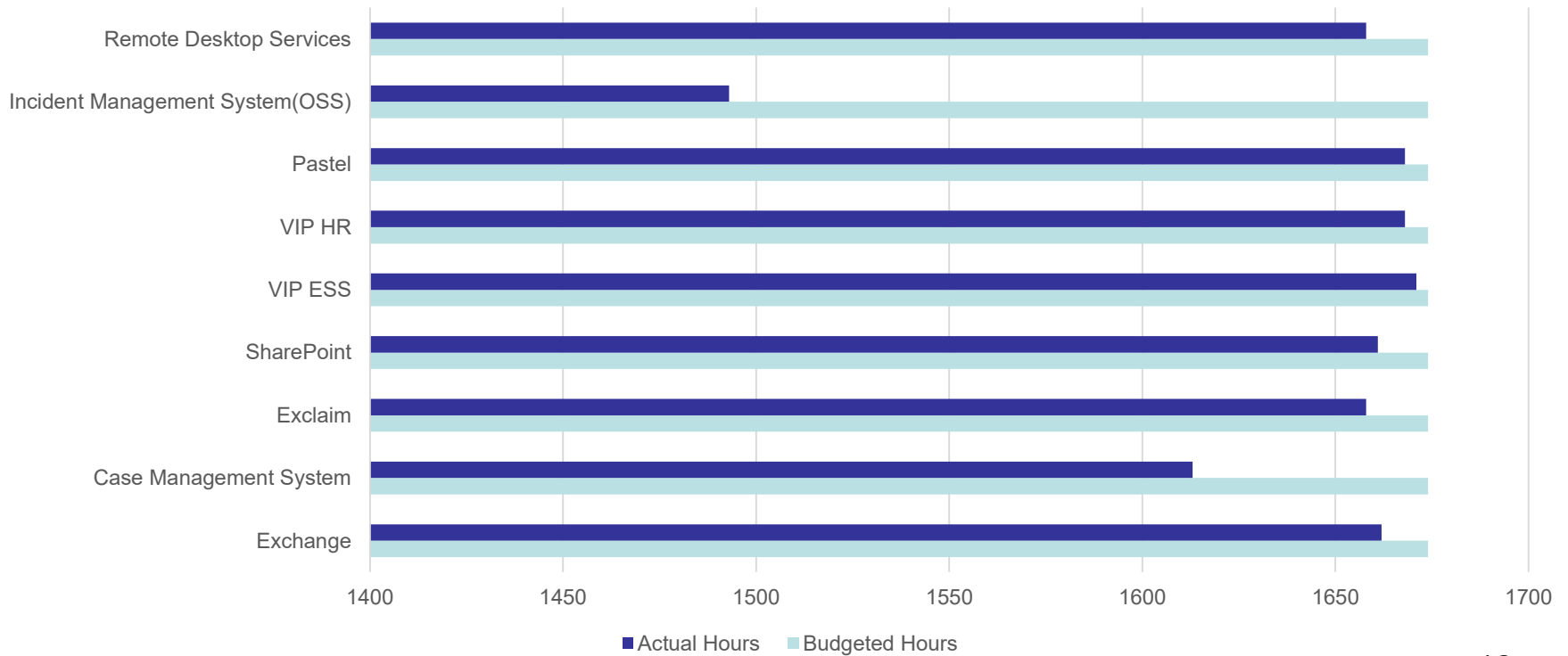
3. Case Management

- During this period, **19,618** electronic filings as filers continued to optimise on the NCT's e-filing and webservice systems.
- 701 registered filers Management continues to observe a steady growth of filers who register on the system.
- In terms of the CMS online adjudication capability 19,296 DRA's
- over 90% of hearings where held virtually with significant savings made for parties and Tribunal members in terms of travel and accommodation.
- A system is now in place for the electronic downloading of hearing files for Tribunal Members to pre-prepare cases thus eliminating to a large extent the need to print and courier physical files.
- Other key developments launched and well underway during this period include:
 - Mobile CMS whereby filers can submit applications and get updates via their mobile phone.
 - E-purse payment gate way which will eliminate filers mistakenly entering the wrong payment reference number when depositing filing fees.



Case Management systems availability 97.92% for the period

Business Applications - Availability Q1 - Q3 FY21-22



4. Introduction of NCAA

In terms of **the dtic** led National Credit Amendment Act initiative, the NCT has now successfully received installed and configured the new server and network infrastructure components for this system. The organisation is now awaiting the gazetting of the regulations in this regard so the necessary software applications development project can get underway to enable the processing of these types of applications.

5. Financial Management

- The NCT has been allocated a grant of R 53 515 000 for 2021/2022 financial year.
- The grant was received in two tranches from the dtic, namely 60% (R32 109 000) in April 2021 and the remaining 40% (R 21 406 000) in October 2021.
- Other income includes filing and service fees of R 10 142 052, interest received of R 817 400 and recovery of costs of R 1 215 585 for the period ending 31 December 2021.

6. Progress on Ministerial Priorities

During the period under review the Tribunal:

- Continued to remain committed to investing in youth employment and development and has set a target of recruiting a total of 8 interns for the financial year. The NCT is currently in the progress with the recruitment as per its commitment and has already appointed the first 6 interns by the end of Quarter 3. Recruitment of the remaining two interns will be finalised before the end of Quarter 4.
- During Quarter 1, Management submitted both an appeal to the dtic as well as applied for exemption from the BBBEE legislation as Management did not agree with the outcome of the BBBEE Verification conducted in 2020. The NCT concluded the BBBEE Verification Audit in respect of the 2020/21 financial year at the end of October 2021. The audit resulted in the NCT being found to be non-compliant.
- As part of its commitment and contribution to towards the achievement of the broader S.A transformation agenda, the NCT has revised its BBBEE strategy and has developed and implemented an updated BBBEE Implementation Plan. The respective elements as per the specialised scorecard have been incorporated.

7. Media Coverage

Media Analysis

During Quarter 1, media coverage focused on the Consumer Protection Act, 68 of 2008. The media focused on challenges being faced by consumers due to lockdown restrictions and how the CPA can protect them against unreasonable cancellation costs for events that had been booked but cancelled due to changing lockdown restrictions. The Media further focused on the debt relief measures provided for in terms of the National Credit Act, 34 of 2005, as amended and in particular how consumers experiencing financial difficulties, can use debt counselling services.

During Quarter 1, there was a publication in the Sunday Times in respect of the innovation brought about by a Tribunal Member in the expeditious adjudication of DRA matters from 40 matters per day to 80 matters per day. This was indeed a great milestone for the NCT.

During Quarters 2 and 3, media coverage focused on the- role of the consumer credit institutions in providing redress to the consumers in the consumer credit market. During these quarters, there were no comments about the NCT in the media.

8. Strategic engagements

Engagements

During Quarters 1,2 and 3, the NCT conducted a total of fifteen (15) engagement sessions. Two of the engagements pertained to webinars which were held under the African Dialogue and the OECD Conference. The African Dialogue focused on available dispute resolution mechanisms for consumers in the context of mobile payment platforms. The OECD Conference had a theme named “The Consumer Market place of the Future” focusing on the evolving role of the consumer in the digital transformation and examine the future of consumer policy at domestic and global levels.

Thirteen (13) engagements were held with Debt Counsellors who were engaged and trained on lodging and filing their applications online (through the NCT’s Case Management System). The purpose of the engagements was to increase access to the Tribunal for consumers experiencing financial difficulties during the Covid-19 pandemic.

9. Key Challenges

- The Tribunal continues to experience resignations of employees. Based on our assumptions and analysis of the exit interviews, the key reason being that the Tribunal does not offer any employee benefits and lack of opportunities for promotion / career progression at the NCT.

The Tribunal is currently going through a process of benchmarking against the industry and obtaining quotations for medical aid and pension /provident fund. Upon finalisation of this process, a motivation will be submitted to the Minister for due consideration. In addition, HR is also currently reviewing and amending its overall Talent and Retention strategy which forms part of the broader HR strategy.

10. Audit Outcome

- Tribunal received its 9th successive clean audit for the FY 2020/21

Reasons:

- Strict adherence to well developed policies and procedures
 - Skilled /Motivated staff who ensured compliance with the policies & procedures
 - Highly skilled core management team that controls the process
- The clean audit status will be maintained through maintaining and enhancing the current internal control systems.

11. Collaboration with other entities

- The NCT continues to have a major involvement with the NCC in the on-going design, development and implementation of the Opt-Out Register system;
- The NCT has actively participated in the Ministerial initiative of ICT Shared Services by among all 17 DTIC entities. There have been 8 IT themes identified, of which the NCT is actively taking the lead in 2 of them, namely, application development and data collaboration.

12. Compliance

- The NCT ensures compliance with the applicable legislation and regulations through its automated compliance monitoring system, known as ***Exclaim***;
- Compliance Checklists are completed via Exclaim which allows for the generation of quarterly compliance reports for the Audit and Risk Committee.
- The NCT has complied with the requirements stipulated in the Shareholder's Compact for the reporting period as well as the Public Finance Management Act No 1 of 1999 (PFMA) Regulations and had no reported instances of non-compliance.

12. NCT Judgments

All judgments of the NCT are available
on our website at

www.thenct.org.za

Or on [SAFFLI](#)

Our contact details

Office Hours:

Monday to Friday, excluding public holidays, from 08:00 to 16:00.

Postal Address:

Private Bag
X 110
CENTURION
0046

Physical Address: The National Consumer Tribunal Ground Floor, Building B, 272 West Avenue Lakefield Office Park Centurion, Pretoria

- **Telephone:** (010) 590 5200
- **Facsimile:** 012 663 5693
- **E-mail:** Registry@thenct.org.za
- **Website:** www.thenct.org.za



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