



NCR OVERVIEW OF THE ANNUAL PERFORMANCE PLAN AND COMMITTED BUDGET 2024/25

Presentation to the Portfolio Committee on Trade, Industry and Competition

12 March 2025, 09h30 – 13h00

Presented by: Ms. Lynette De Beer

Acting Chief Executive Officer

TABLE OF CONTENTS

1.	Vision, Mission and Legislative Mandate	3
2.	Credit Landscape: Registrants	4
3.	Top Strategic Priorities	5
4.	2024/25 Revised Annual Performance Plan	6
5.	Q3 Non-financial Performance Information Report	7
6.	Stakeholder Collaborations	<u>133</u>
7.	Enforcement, complaints evaluations & compliance monitoring	15
8.	Investigations/Raids	20
9.	Research & Statistical Report	21
10.	Financial Report	20

1. Vision, Mission and Legislative Mandate

VISION	MISSION	LEGISLATIVE MANDATE
To promote a South African consumer credit market that is fair, transparent, accessible and dynamic.	<p>To support the social and economic advancement of South Africans, by:</p> <ul style="list-style-type: none">• regulating for a fair and non-discriminatory market for access to consumer credit; and• promoting responsible credit granting, use and effective redress.	<ul style="list-style-type: none">• Promote a fair & non-discriminatory marketplace for access to consumer credit.• Provide for general regulation of consumer credit & improved standards of consumer information.• Prohibit certain unfair credit and credit marketing practices.• Promote responsible credit granting and use.• Prohibit reckless credit granting.• Provide for debt re-structuring in cases of over-indebtedness.• Regulate credit information; and• Promote a consistent enforcement framework relating to consumer credit.

2. Credit Landscape: Registrants

Registrants	No	Branches
Credit Providers	8 525	40 901
Debt Counsellors	1 528	
Credit Bureaus	53	
Payment Distribution Agents	3	
Alternative Dispute Resolution Agents	8	
Registrants type (Credit Providers)	No	Branches
Banks	25	12 895
Retailers	62	11 595
Cooperatives	17	202
Pawnbrokers	197	297
Insurers	16	663
Universities	4	15
Pension/Provident funds	23	28
Short/long term and others	8 181	15 206
Total	8 525	40 901

3. Top Strategic Priorities

The NCR will focus on the following strategic priorities for the 2024-25 financial year:

PRIORITY 1	PRIORITY 2
<p>To improve the regulatory environment, promote financial inclusion (i.e. access to credit) and economic growth.</p> <p>This will be achieved through robust educational awareness activities and increased efficiencies (resulting in reduction of red tape) on the NCR's registration process of persons and entities to facilitate creation of employment opportunities.</p> <p>The impact that the NCR seeks to achieve, is an improved regulatory environment, which promotes poverty reduction and tackle the high cost of living.</p>	<p>To promote a fair, responsible and accessible consumer credit market through the enforcement of the NCA.</p> <p>This will be implemented by conducting investigations and taking enforcement action against non-compliant registrants.</p> <p>The impact that the NCR seeks to achieve, is decreased levels of reckless lending and unfair practices and promotion of affordable levels of credit granting.</p>

The NCR activities are linked to the following 5 of the 10 dtic core economic cluster target outputs in support of **INDUSTRIALISATION, TRANSFORMATION** and **CAPABLE STATE**:

- Output 3: SMME supported
- Output 5: Work experience
- Output 6: Subsistence farmers
- Output 7: Transformation
- Output 9: Red tape reduction.

4. 2024/25 Revised Annual Performance Plan

As part of the 7th administration's 3 main strategic priorities, Medium-Term Development Plan, and the dtic 10 core outputs, the NCR 2024/25 APP was revised in alignment with the determined requirements. These revisions do not have any budgetary implications. The NCR contributes to **5 of the 10** core dtic outputs (i.e. transformation, SMME supported, red tape reduction, subsistence farmers and work experience. This contribution in some outputs is indirect and impact will be realised overtime. In addition, the NCR is committed to aligning its activities regarding the turnaround time of payment of suppliers to that of the dtic and ensuring that priority is given to BBBEE compliant suppliers.

6 th Administration Medium Term Strategic Framework		7 th Administration Medium Term Development Plan	
Core Targets/ Output Targets	Indicators	Core outputs	Indicators
Core target 2: Local spending	25 % Procurement spent on SMMEs, inclusive of women and youth	Output 3: SMME Supported	Revised: 75% of procurement spent on SMMEs, inclusive of women and youth. New: Produce a diagnostic study report on the establishment of business credit and risk reporting in South Africa.
Core target 8: Create Jobs	Register 98% of persons and entities in the consumer credit market within 6 business days of receipt of signed proposed conditions and payment of registration fees	Output 5: Work Experience	New: Recruit 10 learners, including 8 interns through BankSeta.
Output 7: Support programmes outside the 5 main metros.	Conduct workshops in areas outside the 5-main metros to support SMMEs	Output 6: Subsistence Farmers	New: Produce a diagnostic study report on the establishment of business credit and risk reporting in South Africa.
Output 8: Financial support programmes to SMMEs, and women and youth – empowered businesses.	25 % Procurement spent on SMMEs, inclusive of women and youth	Output 7: Transformation	New: A report on the feasibility of establishing the central credit register to the dtic.
Output 16: High-impact outcomes on addressing market concentration at sector or firm level.	Number of reports on market concentration	Output 9: Processes to reduce red tape	Not revised: Register 98% of persons and entities in the consumer credit market within 6 business days of receipt of signed proposed conditions and payment of registration fees. Not revised: Profile 50 NCR's success stories conducted through stakeholder engagements, advertising campaigns and education and awareness activities
Output 32: Case studies of firms, workers, entrepreneurs, professionals, or communities impacted.	Profiling of NCR success stories		
Output 33: Community Outreach Programmes by the dtic group.	Conduct education, awareness campaign and activities on the NCA		

5. Q3 Non-financial Performance Information Report

The NCR alignment/contribution to 5 of the 10 dtic core outputs are applicable to Programme 1: Improved Regulatory Environment

Outputs	Output indicators	2024/25 Annual Target	3rd Quarter milestones	Actual Achievement	Reason for Variance	Corrective Action
Programme: Improved regulatory environment						
Education and awareness campaigns activities conducted.	Number of consumer education and awareness campaigns and activities conducted on the NCA within the 52 district municipalities	Conduct 1400 consumer education and awareness campaigns and activities on the NCA within the 52 district municipalities.	350	Exceeded 406	Collaborations and partnerships with stakeholders. The Weekly media interview topics on the NCA generated media interest for interviews.	
NCR's success stories profiled.	Number of NCR's success stories profiled.	Profile 50 NCR's success stories	12	Exceeded 17 NCR's success stories profiled.	A Joint collaboration between the NCR, the Hawks and SASSA in combating unregistered credit providers who were seizing consumer instruments increased the number of successful raids conducted.	

Outputs	Output indicators	2024/25 Annual Target	3rd Quarter milestones	Actual Achievement	Reason for Variance	Corrective Action
Programme: Improved regulatory environment						
Consolidated evaluation reports produced.	Number of evaluation reports produced on consolidated activities relating to educational awareness, investigations, complaints evaluations, compliance monitoring, debt counselling and enforcement.	Four evaluation reports on consolidated activities relating to educational awareness, investigations, complaints evaluations, compliance monitoring, debt counselling and enforcement.	One evaluation report on consolidated activities relating to educational awareness, investigations, complaints evaluations, compliance monitoring, debt counselling and enforcement.	Achieved One evaluation report on consolidated activities relating to educational awareness, investigations, complaints evaluations, compliance monitoring, debt counselling and enforcement.		
Workshops in areas outside the 5 main metros conducted.	Number of workshops conducted in areas outside the 5 main metros to support SMMEs.	Conduct 25 workshops in areas outside the 5 main metros to support SMMEs.	6 workshops	Exceeded 7 workshops conducted.	Additional workshop was held in during outreach programme hosted by the dtic.	
New persons and entities registered within the set timelines.	% of new persons and entities registered in the consumer credit market within a number of business days of receipt of signed proposed conditions and payment of registration fees.	Register 98% of persons and entities in the consumer credit market within 6 business days of receipt of signed proposed conditions and payment of registration fees.	Register 98% of persons and entities in the consumer credit market within 6 business days of receipt of signed proposed conditions and payment of registration fees.	Achieved 98,25% of persons and entities in the consumer credit market were registered within 6 business days of receipt of signed proposed conditions and payment of registration fees.		
Jobs through registration of SMMEs created.	Number of jobs created through registration of SMMEs	450 jobs created through registration of SMMEs.	225	Exceeded 1402	More applications received and processed timeously.	

Outputs	Output indicators	2024/25 Annual Target	3rd Quarter milestones	Actual Achievement	Reason for Variance	Corrective Action
Programme: Improved regulatory environment						
Circulars/ guidelines in relation to Sec 16 (1) (b) of the NCA issued.	Number of circulars and/ or guidelines issued in relation to Sec 16 (1) (b) of the NCA.	Four circular and/or guidelines issued in relation to Sec 16 (1) (b) of the NCA.	One circular and/or guidelines issued in relation to Sec 16 (1) (b) of the NCA	Achieved One circular and/or guidelines issued in relation to Sec 16 (1) (b) of the NCA		
Reports on market concentration produced	Number of reports on market concentration.	Two reports on market concentration.	N/A	Not due in Q3		
Procurement spent on SMMEs, inclusive of women and youth	% of procurement spent on SMMEs, inclusive of women and youth.	25% of Procurement spent on SMMEs, inclusive of women and youth.	75% of Procurement spent on SMMEs, inclusive of women and youth.	Exceeded 100% procurement spent on SMMEs which includes women (13.24%) and youth (2.24%).	The qualifying and awarded bidders falls under the SMMEs.	
Diagnostic study report produced	Submit a diagnostic study report on the establishment of business credit and risk reporting in South Africa	Prepare implementation plan and commence with implementation of recommendations from the diagnostic study report.	Conduct a diagnostic study on the establishment of business credit and risk reporting in South Africa and produce a draft report.	Achieved Draft report produced on the establishment of business credit and risk reporting in South Africa		
Report on the feasibility of establishing the register produced.	Submit the report on the feasibility of establishing the central credit register to the dtic.	Prepare implementation plan of recommendations from the feasibility study report and commence.	Review draft report and sought comments from stakeholders.	Partially achieved	Reviewed draft report in place. Delays in appointing acting CB Manager that's responsible requesting comments from stakeholders.	The report will be issued for comments in Q4.
Learners/interns recruited in partnership with BankSETA.	Number of learners/interns recruited in partnership with BankSETA.	Recruit 10 learners/interns through BankSETA.	Recruit 10 learners/interns through BankSETA.	Achieved Recruited 10 learners/interns through BankSETA.		

Outputs	Output indicators	2024/25 Annual Target	3rd Quarter milestones	Actual Achievement	Reason for Variance	Corrective Action
Programme: Enforcement of the National Credit Act						
Impact Study report produced	Impact study report on the effect of total cost of credit and credit life insurance regulations on consumers and submit a final report to the dtic .	Conduct an impact study on regulations on limitations on fees and interest rates together with credit life regulations and submit report to the dtic	Commence with an impact study and produce a progress report.	<u>Not achieved</u>	Delays in the appointment of a service provider having ripple effect on subsequent events. Service provider was appointed in Q3.	Kick-off meeting was held on 10 December 2024. The study will be conducted and a progress report produced in Q4.
Investigations on credit providers conducted.	Number of investigations conducted on credit providers relating to NCA.	Conduct 490 investigations on credit providers relating to NCA.	122	<u>Exceeded</u> 199	Adherence to procedural processes and departmental policies in executing business. Improved process flow.	
Enforcement action taken on non-compliance identified.	Enforcement action taken by the end of the financial year on a percentage (%) of investigations which identified non-compliance relating to the NCA by credit providers.	Take enforcement action on 80% of investigations which identified non-compliance with regulations relating to the NCA by credit providers by the end of the financial year.	-	Not due in Q3		
Investigations on debt counsellors conducted.	Number of investigations conducted on debt counsellors relating to compliance with the NCA.	Conduct 350 investigations conducted on debt counsellors relating to compliance with the NCA.	80	<u>Exceeded</u> 207	The focus area was on debt counsellors who are charging	

Outputs	Output indicators	2024/25 Annual Target	3rd Quarter milestones	Actual Achievement	Reason for Variance	Corrective Action
Programme: Enforcement of the National Credit Act						
					excessive NCT fees. Improved process flow.	
Enforcement action taken on non-compliance identified.	Enforcement action taken by the end of the financial year on a percentage (%) of investigations which identified non-compliance with the NCA by debt counsellors.	Take enforcement action on 80% of investigations which identified non-compliance with the NCA by debt counsellors by the end of the financial year.	-	Not due in Q3		
Investigations on credit bureaus conducted.	Percentage of investigations conducted on hosting credit bureaus in respect of credit reports issued for employment purposes in terms of the NCA, removal of adverse consumer credit information and paid-up judgements	Conduct 83% investigations on hosting credit bureaus in respect of credit reports issued for employment purposes in terms of the NCA, removal of adverse consumer credit information and paid-up judgements.		Not due in Q3		
Enforcement action taken on non-compliance identified.	Enforcement action taken by the end of the financial year on a percentage (%) of investigations which identified non-compliance by credit bureaus.	Take enforcement action on 85% of investigations, which identified non-compliance by credit bureaus by the end of the financial year.	-	Not due in Q3		
Compliance reports evaluated.	% of evaluated credit bureau annual compliance reports certified by an independent auditor	Evaluate 100% annual compliance reports certified by an independent auditor submitted by credit	-	Not due in Q3		

Outputs	Output indicators	2024/25 Annual Target	3rd Quarter milestones	Actual Achievement	Reason for Variance	Corrective Action
Programme: Enforcement of the National Credit Act						
	for their previous financial year.	bureaus for the 2023 financial year.				
Enforcement action taken on non-compliance identified.	Enforcement action taken on a by the end of financial year on a percentage (%) of credit bureaus which were found to be non-compliant after the evaluation of annual compliance reports certified by an independent auditor for their previous financial year.	Take enforcement action on 80% of credit bureaus which were found to be non-compliant after the evaluation of annual compliance reports certified by an independent auditor for their previous financial year by 31 March 2025.	-	Not due in Q3		
Reports on the impact of enforcements produced	Number of reports produced on the impact of enforcement action taken on entities and persons that were found to be non-compliant in the previous financial year.	Three progress reports and one final report on the impact of enforcement action taken on entities and persons that were found to be non-compliant in the previous financial year.	One progress report on the impact of enforcement action taken on entities and persons that were found to be non-compliant in the previous financial year	<u>Achieved</u> One progress report on the impact of enforcement action taken on entities and persons that were found to be non-compliant in the previous financial year		

6. Stakeholder Collaborations

NO	STAKEHOLDER	BRIEF DESCRIPTION	PURPOSE	BENEFITS	NARRATIVE
1.	National Financial Ombud Scheme South Africa	MoU	Mutual interest matters including complaints resolution/referral	Complaints resolution and referral	These engagements are predominantly with the Complaints departments, who refer matters to NFO and hold meetings in related matters.
2.	International Finance Corporation	Phase II of SACRFI project	Deployment of credit registry. Automation of technology systems. Research project on Funding. Commercial credit reporting (i.e. small enterprises)	Technical and financial support to develop or establish the initiatives related to the purpose.	Phase II – Draft working plan being drafted internally for Alternative Data project. Other projects for the next FY: Research on cross border data sharing; explainability of credit underwriting models; climate change; assess use of sex-disaggregated data for credit underwriting.
3.	South African Human Rights Commission	MoU	Matters of mutual interest as they concern the mandate of each	Mutual support and sharing resources (i.e. investigation or projects)	The signing of the MOU has been delayed in the drafting and review stages. NCR signed MOU and still awaits the signature of SAHRC.
4.	Financial Planning Institute	MoU	Skill sharing knowledge transfer and professional development (i.e. training sessions, workshops) in areas of mutual interest	Joint workshops and educational initiatives	The MOU was signed by FPI and it is still being processed at Exco level of NCR. There is a webinar “Global Money Week” planned for March 2025. The NCR also assisted the FPI with debt review related input/comments to the FPI’s curriculum for registered financial practitioners.
5.	Steer Committee for South Africa Movable Asset Collateral Registry (“MACR”)	Project on the development of legal and institutional frameworks to allow and promote the use of movable property as collateral for loans in South Africa	Establishment of a modern centralized electronic collateral registry	Centralised registry will enhance access to credit and reporting thereof	The Steerco established three sub-committees closer to the end of 2025. The sub-committees include:- registry, legal and awareness. All three sub-committees have since met to establish TORs and related matters. This is a project of the Department of Small Business Development.

NO	STAKEHOLDER	BRIEF DESCRIPTION	PURPOSE	BENEFITS	NARRATIVE
6.	Financial Intelligence Center	MoU	Information sharing and inter-regulatory collaboration	Combatting of financial crime and compliance with FICA and NCA	<p>The relationship is being strengthened with the MOU under review. Meeting is to be held with FIC in mid-February 2025 regarding sector risk assessments on the money laundering/terror financing risks of credit providers.</p> <p>NCR was able to assist with input to the FIC's Public Compliance Communication on the interpretation of "credit providers" as defined in their principle legislation.</p>
7.	Human Settlements' Office of Home Loan and Mortgage Disclosures	MoU (in the works)	Information sharing	Information sharing	An introductory meeting was held in December 2024 on matters of mutual interest, mainly regarding discrimination in the mortgage space and regulatory environment
8.	Intergovernmental Fintech Working Group (IFWG)	MoU	<p>Regulatory Sandbox activity and</p> <p>Regulatory Guidance Unit (RGU) <i>ad hoc</i> enquiries</p>	Providing guidance and receiving information on emerging fintechs within the credit and financial services sector	<p>Notto presented on their closing out report in respect of the Sandbox initiative and NCR as regulator is in the process of considering same before end of March 2025.</p> <p>Open Finance working group held a kick-off meeting with Cenfri in February 2025 for the Cost-Benefit Analysis study related to open finance.</p>

7. Enforcement; Complaints, evaluations & compliance monitoring

a) Enforcement

Enforcement of the NCA is done through:

- [referrals](#) to the National Consumer Tribunal (NCT) and the National Prosecution Authority (NPA),
- compliance [notices](#),
- [judgements](#) of the courts and the NCT,
- [settlement](#) orders, and
- imposition of administrative [fines](#).

Enforcement actions taken against registrants for various contraventions of the NCA:

- There were 2 registrants which were [referred](#) to NCT for contravening the NCA. The contraventions include failure to conduct affordability, failing to provide consumers with pre-agreement statements, quotations, and credit agreement, extending credit recklessly, overcharging of interest, failure to submit statutory returns, failure to display window decal and registration certificates.
- There was no compliance [notices](#) issued for the quarter under review.

- The following 4 judgments were imposed with administrative fines in the amount of over R1million on registrants found to have contravened the NCA:

No	Party referred	Case No	Contraventions	NCT Outcome	Judgement date	Admin Fine
1	SELL TO US T/A PAWN MY CAR SA & EASY DRIVE SA (Unregistered Credit providers)	NCT/326370/2024/140(1)	<ul style="list-style-type: none"> Failure to conduct affordability Extending credit recklessly Unlawful credit extension due to not being registered with the NCR Overcharging of the cost of credit Failure to provide consumers with pre-agreement statement, quotations, and credit agreements in the prescribed forms 	<ul style="list-style-type: none"> The NCT found that the credit extended was unlawful and there were various contraventions of the Act. The credit providers were ordered to refund the consumers the cost of credit, return their vehicles and where vehicles are sold, pay the value of the vehicle less the loan amount extended. The tribunal ordered an audit to establish the true extent of the contravention. 	04 Oct 2024	R400 000.00 against each Respondent (R800 000)
2	BOTSHABELO CASH LOANS CC NCRCP2071	NCT/321451/2024/57(1)	<ul style="list-style-type: none"> Failure to conduct proper affordability Extension of reckless credit Overcharging of interest 	<ul style="list-style-type: none"> The Tribunal confirmed various contraventions of the NCA by the credit provider and ordered that all overcharged consumers be refunded and cancelled the registration of the credit provider with the NCR The credit provider is ordered to conduct an audit to establish the extent of overcharge and reckless credit. 	03 Oct 2024	R50 000
3	TSHUKUDU HOLDINGS NCRCP7915	NCT/267432/2023/140(1)	The credit provider was found to not have conducted affordability assessment properly. Before the hearing, a settlement negotiation was entered into which includes an audit, refund and putting corrective measures in place.	The Tribunal confirmed the consent order and administrative fine agreed to.	09 Dec 2024	R40 000
4	SOLULELE RENENE T/A KWA-WHITY & MANDIPHIWE RENENE (Unregistered Credit providers)	NCT/321461/2024/140(1)	<ul style="list-style-type: none"> Extending credit whilst not registered with the NCR, Failing to conduct affordability; Reckless credit; Being in unlawful possession of consumer instruments 	<ul style="list-style-type: none"> The NCT found that the credit provider extended credit unlawfully as she was not registered in contraventions of the Act. The credit provider was ordered to refund the consumers the cost of credit, including interest unlawfully charged. The tribunal ordered an audit to establish the true extent of the contravention. 	05 Dec 2024	R100 000 each (R200 000)

- Two (2) **settlements** agreement were concluded with registrants for non-compliance with the Act:

NO	Matter:	NCR Ref:	Contraventions:	Outcome of settlement agreement:	Type of registrant:
1	NCR VS JANA ARNELDA MEYER NCRDC3232 NCT367123-2024-138(1)	C58078	<ul style="list-style-type: none"> • Inconsistent with section 86(6)(a) read with section 86(7)(a), the debt counsellor failed to reject the complainant's debt review application. • Inconsistent with section 86(6)(a) read with regulation 24(7) and regulation 24(10), the debt counsellor decided that the complainant is over-indebted despite evidence to the fact that the complainant's debt repayments do not exceed the balance derived from deducting her minimum living expenses from her net income • Inconsistent with section 52(5)(c) read with her conditions of registration, by failing to perform debt counselling that is consistent with the Act. 	Set down in the NCT for 11 February 2025 (awaiting outcome)	Debt Counsellor
2	NCR VS SERAJ ARNOLD NCRDC2709 NCT367035 -2024-138(1)	C59455	<ul style="list-style-type: none"> • Inconsistent with section 86(6)(a) read with section 86(7)(a), the debt counsellor failed to reject the complainant's debt review application. • Inconsistent with section 86(6)(a) read with regulation 24(7) and regulation 24(10), the debt counsellor decided that the complainant is over-indebted despite evidence to the fact that the complainant's debt repayments do not exceed the balance derived from deducting her minimum living expenses from her net income. • Inconsistent with section 52(5)(c) read with her conditions of registration, by failing to perform debt counselling that is consistent with the Act. 	Set down in the NCT for 11 February 2025 (awaiting outcome)	Debt Counsellor

b) Complaints, evaluations, and compliance monitoring

The following complaints evaluation and compliance monitoring were achieved through instructional letters:

Refunds and credit account balance adjustments of over R5.7 million were made to consumers as a result of complaints evaluations and compliance monitoring.

8. Investigations: Raids

Over and above the investigations reported on the performance report, the NCR conducted and completed 3 raid operations during which numerous consumer instruments were recovered.

Northern Cape Raid Operation – Windsorton

Numerous consumer instruments as shown on the below pictures were seized during the raid operation and a criminal case opened (CAS 19/10/2024).



NORTHERN CAPE (Windsorton)

Numerous consumer instruments as shown on the below pictures were seized during the raid operation and a criminal case opened (CAS 41/11/2024).

Northern Cape Raid Operation – Brandvlei

Numerous consumer instruments as shown on the below pictures were seized during the raid operation and a criminal case opened (Brandvlei 06/12/2024).



9. Research & Statistical Report

The NCR has a department for Statistics and Research.

The department publishes Consumer Credit Market Reports (CCMR) and Credit Bureau Monitor Reports (CBM) on a quarterly basis. In addition, the department conducts research into prevailing market conditions and emerging trends in line with sections 13 and 16 of the NCA.

In the current FY, the NCR has planned research projects on the Enhancement and review of Form 45 (Synoptic Report by Insurer) and Periodic Review of Limitations on Fees, Interest Rates, and Credit Life Insurance Regulations.

The NCR published the Consumer Credit Market Report (CCMR) and the Credit Bureau Monitor (CBM), which are based on data submitted by the registered credit providers and credit bureaus respectively. The latest edition of the reports covers credit market information from January 2024 to September 2024.

The total value of new credit granted increased by 2.77% quarter-on-quarter from R139.77 billion to R143.63 billion. The number of credit agreements entered into increased by 2.34% quarter-on-quarter from 4.94 million to 5.05 million. The total outstanding consumer credit balances (or gross debtor's book) as of September 2024 was R2.38 trillion, representing an increase of 0.41% quarter-on-quarter and by 2.44% year-on-year.

Credit bureaus held records for 28.32 million credit-active consumers, which was an increase of 0.61% when compared to 28.15 million in the previous quarter. Consumers classified in good standing increased by 237,246 to 18.13 million. This amounts to 64.02% of the total number of credit-active consumers. The number of credit-active accounts increased from 95.91 million to 96.53 million in the quarter ended September 2024. The number of impaired accounts has decreased from 20.77 million (21.66%) to 19.86 million (20.57%) in September 2024.

10. Financial Report

Allocated budget

Expenditure	2024/25 annual budget R'000	Budget YTD quarter 3 R'000	Actual YTD quarter 3 R'000	Variance quarter 3 R'000	Variance quarter 3 %
Baseline/Totals	147 954	113 189	96 946	16 243	14%

Budget per programme

Programme	2024/25 annual budget R'000	Budget YTD quarter 3 R'000	Actual YTD quarter 3 R'000	Variance quarter 3 R'000	Variance quarter 3 %
Administration	75 618	58 639	44 210	14 429	25%
Improved regulatory environment	23 164	17 550	16 381	1 169	7%
Enforcement of the NCA	49 172	37 000	36 355	645	2%
Total	147 954	113 189	96 946	16 243	14%

Budget per economic classification

Programme	2024/25 annual budget R'000	Budget YTD quarter 3 R'000	Actual YTD quarter 3 R'000	Variance quarter 3 R'000	Variance quarter 3 %
Compensation of employees	88 053	66 245	66 168	77	0%
Goods and services	52 104	41 141	28 622	12 519	30%
Purchase of capital assets	7 797	5 803	2 156	3 647	63%
Total	147 954	113 189	96 946	16 243	14%

Budget per revenue classification

Programme	2024/25 annual budget R'000	Budget YTD quarter 3 R'000	Actual YTD quarter 3 R'000	Variance quarter 3 R'000	Variance quarter 3 %
Fees from registrants	46 903	45 844	46 547	(703)	-2%
Transfer	79 051	79 051	79 051	-	0%
Bank interest	8 000	7 040	4 353	2 687	38%
PDA interest and other income	14 000	-	648	(648)	-
Total	147 954	131 935	130 599	1 336	1%

Variance explanations**Administration costs - goods and services**

Procurement for the new ERP system was put on hold. Procurement has been allocated to other urgent matters in ICT during quarter 4.

Purchase of capital assets

Majority of the licences are due and payable in the January 2025. A purchase order has been issued for laptops and invoice expected during February.

Revenue**Bank interest**

Grant income from dtic was received in two tranches, in April and October. The two tranche payments had an effect on the budgeted amount.

PDA interest

The funds relating to the PDA interest account will be recouped in quarter 4.