



national consumer tribunal

Strategic Plan (2018/19 - 2022/23)



Strategic Plan 2018/19 – 2022/23
National Consumer Tribunal
31st January 2018
Version: Final

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Foreword by the Minister

The dti sets the policy direction as well as the regulatory and dispute resolution frameworks for the consumer credit industry. In order to ensure that this policy direction and these frameworks are a reality in the lives of the citizens of our country, the National Consumer Tribunal (“the NCT/Tribunal”) is expected to fulfil its functions in terms of its dual mandates set by the National Credit Act and the Consumer Protection Act. The NCT has a crucial role to play within these two pieces of aligned legislation and is relied on to contribute to a consistent, predictable and effective environment to safeguard the interests of consumers, goods, services and credit providers in South Africa.

The most important area of strategic focus of the NCT pertains to its adjudicative function. Through equitable, impartial adjudication, it promotes equity in the consumer marketplace by balancing the respective rights and responsibilities of services, goods and credit providers as well as consumers. By so doing, it has a direct role to play in ensuring that all parties are protected from deception, unfair and fraudulent conduct. This contributes significantly to a transparent, effective and fair regulatory environment which enables investment, trade and enterprise development to be carried out in an equitable and socially responsible manner.

I am pleased to note that the NCT, in developing its Strategic Plan, has taken cognisance of and incorporated a number of Governments’ imperatives, as outlined in the Six (6) Point Plan as well as alignment to the National Development Plan, through the creation of employment opportunities for the youth, vulnerable and historically excluded groups. In the Strategic Plan, the NCT has also created a clear focus on increasing access to the workings of the Tribunal on the part of citizens in all parts of our country, both urban and rural. The way in which it intends to continue to embrace digital transformation to increase its efficiency, responsiveness, stakeholder engagement and adjudicative services is also particularly pleasing.

I would like to recognise the NCT for the manner in which it has over the years strived to achieve organisational excellence. The sound and high quality judgments of the Tribunal have created a sense of predictability and certainty in the consumer marketplace. The greater accessibility of the Tribunal, by virtue of the way it has gone about adjudicating on debt-rearrangement matters in all the provinces, has shown the Tribunal’s commitment to reach out to the people of South Africa. While this has contributed to a large increase in the caseload for the Tribunal, I am confident that, through this Strategic Plan, the focus on efficient and effective adjudication in a vulnerable consumer and credit environment will continue to be afforded the highest possible priority.



Dr Rob Davies, MP
Minister of Trade and Industry

Overview by Accounting Authority

It gives me great pleasure to present the **Strategic Plan** for the National Consumer Tribunal (the Tribunal or the NCT) for the five-year period 2018/19 to 2022/23. This Strategic Plan is aligned with the Department of Trade and Industry's (**the dti**) strategic goals and contributes towards delivery on the objectives of the National Development Plan (NDP) as well as the Medium Term Strategic Framework ("MTSF") (with linked **dti** responsibilities). It establishes the **key areas of focus** that will enable the NCT to deliver on its mandate.

In preparation of this plan, consideration was taken of key provisions of the Constitution of the Republic of South Africa, the National Credit Act, the Consumer Protection Act, the Rules of the Tribunal and other applicable laws and regulations.

Two new strategies have also contributed to the substance of this plan. In the Volatile, Uncertain, Complex and Ambiguous (VUCA) world in which we find ourselves, technology continues to advance at an unparalleled pace. It is for this reason that the NCT has developed a clear Digital Strategy to make sense of these changes and to take advantage of the potential that they provide. The NCT's long-term vision, as a digitally enabled public entity is both exciting and compelling. It also offers up the potential for increasing public value through enhancements and extensions of the adjudicative services currently offered by the NCT. The NCT's organisational design also changes in line with its evolving strategic imperatives. It is for this reason that we have also recently developed a Corporate Services Strategy to clearly articulate the integrated solutions to be provided by this innovated structure going forward. A summary of both of these strategies will be included in this version of our Strategic Plan.

Since its inception the NCT has steadily developed into a **hub of organisational and adjudicative excellence**. It has consistently innovated the core people, technology and processes that make up its administrative and adjudicative capability thereby enabling it to consistently deliver on its mandate. The organisation is highly commended for having achieved the annual goals and objectives it has set itself and in having received clean audits from the Auditor General for five consecutive years.

The NCT is an organisation that continues to deliver on its functions in an environment that is consistently evolving and changing. This year in particular, has been marked by changes in the Executive Chairperson and in the part-time Tribunal Members who have served out their statutory terms of office. Times of leadership transition always bring with them a fear of the loss of highly skilled people, either as a result of a climate of uncertainty or a fear of what the future for the organisational may hold. I am extremely

pleased to report that any such fears have been proven to be unfounded. The NCT is extremely proud to confirm that post the leadership transition, it has achieved an enviable retention record with all past part-time Tribunal Members, with the exception of one, accepting a further term of office with the NCT. This has ensured professional skills continuity and has allowed the NCT to continue to enjoy a healthy return on investment on the extensive training provided to Tribunal Members.

I would like to thank the outgoing Chairperson, Mrs Diane Terblanche, and the outgoing Tribunal Members for the exemplary way in which they have performed their duties and for their exceptional contribution to the development of the NCT. They have certainly developed a solid foundation for the future of which we all can justifiably be proud of.

Over the past decade, the NCT has seen its caseload virtually double each passing year. Yet it has never failed to rise to this exceptional challenge, developing creative and innovative ways to deliver on its high adjudicative standards.

The awareness by South Africans of their consumer rights and expectations for improved service delivery from government, have contributed to this increase over time. This, together with stakeholder confidence in the NCT's adjudicative abilities, the amendments to relevant legislation and the fact that Debt Counsellors are adjusting and evolving their business models to enable them to pursue bulk DRA applications, have all contributed to this exceptional caseload growth.

To meet this challenge, the NCT has increased its number of Tribunal Members and has embraced technology-enabled process innovation as an important enabler of greater efficiency. This has ensured that the NCT is able to successfully receive, process and manage large numbers of filings and DRA / non-DRA applications. The NCT's focus on technology enablement has included the automation of processes to ensure that non-value adding work is eradicated or automated. It has also focused on ways to streamline and enhance the intelligent generation of data and reports to inform effective decision making and analysis. This focus will increase in intensity over the next two years, embracing the potential offered up by social media and technologies such as Artificial Intelligence. These mind-shifts will also have profound implications for the skillsets of the NCT's employees and we intend to further develop employees to ensure that their future competencies are in line with those required by tomorrow's digitally enabled enterprise.

Other innovations to the NCT's service delivery model have served to differentiate and optimise the NCT's administrative and adjudicative operations. These have included flexible employment, inclusive of the use of fixed term contract employees and interns, as well as the implementation of Motion Courts. These approaches and innovative ways of working have contributed to ever-increasing efficiency and effectiveness as well as the greater accessibility of the NCT. It is hoped that the e-filing of applications for

adjudication and the greater automation of DRA processes will enable the NCT to significantly reduce the need for Motion Courts and to significantly increase the throughput of DRAs without any further increase in the headcount of adjudicators.

The next few years will therefore usher in an ever-increasing maturity in the roll-out of the ICT Enterprise Architecture and supporting ICT applications. Many of the original proposed functionalities contained with the Case Management System (CMS), first released in 2015, are currently in use.

The first version allowed for the automation of data capture and in April 2017, Debt Councillors were able, for the first time, to directly upload filings to the NCT. There is now in place functionality for Debt Counsellors to bulk upload applications, thereby increasing data accuracy and ensuring an improved overall user experience for our important stakeholders. To ensure ongoing access to all filing parties, the NCT will continue to run a manual processing functionality in parallel with its online e-filing processes. This will permit filing parties who are not able to submit filings on-line to continue to do so manually. It is however anticipated that written, non electronic applications and those submitted via e-mail will, over time, be phased out.

The further evolution of the digital CMS will include a more intelligent, automated case adjudication process that will greatly enhance and support the work of Tribunal Members. Other functionality, including an enhanced Diary Management System, will also contribute to adjudicative efficiency. Through all of these innovations, the NCT will be in a better position to process an increased number of debt re-arrangement agreements (DRA) and non-debt re-arrangement agreements (non-DRA) matters, without having to significantly increase its adjudicative overhead costs or case management resources.

Greater accessibility to the NCT by South Africans, wherever they may be located, is an important strategic imperative for the NCT. Going forward, attention will be paid to partnering with other governmental institutions, such as Thusong Service Centres, to ensure that all inhabitants of South Africa have community-based access to information about their consumer rights as well as the workings of the NCT. This will be supported by user-friendly, easy to access communication through appropriate social media channels and learning formats such as tutorials and YouTube videos.

Another area of possible future innovation is an impending intention to adopt the alternative dispute resolution (ADR) processes, particularly mediation, as a way of reducing the overall NCT caseload. In the not so distant past in the short life of the NCT, voices in the public domain have reminded us of the need to make the NCT's processes more informal and user friendly to the lay public. The reality is that adjudication is, by its very nature, rights focused. Parties to the NCT as well as litigants ferociously guard against the possible dilution or compromise of their legal and constitutional rights in the

name of informality. To this end, it is not unusual to find parties employing the services of Senior Legal Counsel. A self-evident benefit of possibly incorporating ADR processes such as mediation is that it reinforces the important principle of parties doing everything possible to resolve disputes before they are escalated into adjudicative action.

There are a number of important examples of successful public sector bodies who have effectively adopted and utilised mediation. These include, the Commission for Conciliation, Mediation and Arbitration (CCMA) as well as the Companies Tribunal. As a creature of statute however, the NCT cannot willy-nilly incorporate processes such as mediation without first pursuing the necessary amendments to its underpinning legislation and rules. The possible adoption of mediation will therefore be subject to research into its suitability as well as into the nature of any legislative or rules amendments that may be required. And to this end, it has been agreed with the Honourable Minister and the Director General of Trade and Industry, that the **dti** will spearhead a process to amend the enabling legislation to among other things, infuse the mediation processes. And it should be clear that mediation can only be introduced in opposed matters as Debt Counsellors already perform the mediation function between credit providers and consumers.

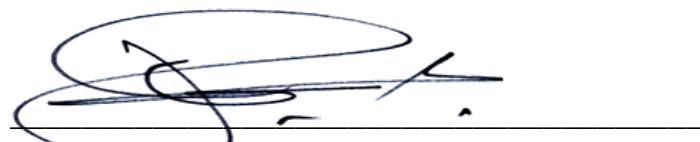
Despite all past and future intended innovations as well as initiatives to expand public access to the services of the NCT, the Tribunal will remain cognisant of the fact that it is inherently a neutral adjudicative body. This means that it cannot take on the form or nature of an activist institution. It continues to strictly retain the nature of an adjudicative body that seeks to balance the scales of justice between the consumers and the suppliers of goods, services and credit. Investigative activities are best left to other **dti** institutions who refer matters to the NCT. This differentiated capability as an administrative court is in the best interests of continuing to distinguish the role and function of the NCT from other **dti** entities. Consumer Courts in Provinces (where these exist) are the closest to what the NCT is – also administrative courts dispensing consumer protection justice.

Migrating from a paper-based to a largely paperless, digital environment is a significant transitional challenge for the NCT. Data security and protection against cyber-criminals will therefore be afforded a high priority. The NCT will continue to ensure that its systems are adequately protected and that data is stored in such a way that it is readily, easily searched and accessed with the appropriate security and confidentiality enabled controls. Ongoing innovation goes hand in hand with behavioural change, both within the NCT and amongst its key stakeholders - consumers, credit providers, debt counsellors and legal practitioners. As a result, change management is a high priority on the NCT's agenda as the organisation evolves through successive cycles of planned change. The NCT will therefore continue to develop and implement strategic change initiatives with full programmatic planning supported by the appropriate change

enablement tools and methodologies. These initiatives will contribute to the identification of clear internal accountabilities, the appropriate segregation of duties and to enhanced teamwork and collaboration with all relevant stakeholders. All such initiatives will continue until these important changes are firmly institutionalized within the NCT ecosystem. Continued stakeholder engagement is also a key priority for the NCT.

Over the next year, an initiative will be implemented to better understand stakeholder perceptions, needs and expectations. This will assist in informing the NCT's future strategy, resourcing requirements and channels for communication. A focus on effective case screening and stakeholder information sharing will also contribute to ensuring that relevant cases are correctly filed with the NCT, thereby contributing to the speedy finalisation and resolution of matters. The NCT will continue to retain and enhance its comprehensive governance and risk management structures and controls. These are operating effectively and efficiently, as evidenced by the NCT receiving its fifth clean audit in a row.

I would encourage all NCT Tribunal Members, staff and stakeholders to embrace this Strategic Plan to ensure that the NCT continues to consistently deliver quality services to stakeholders in the execution of its mandate.

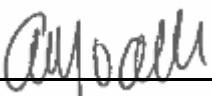


Professor Joseph Mandla Maseko
Executive Chairperson and Accounting Authority
31st January 2018

Official Signoff

It is hereby certified that this Strategic Plan Plan for 2018/19 to 2022/23;

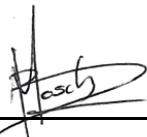
- Was developed by the management of the National Consumer Tribunal under the guidance of the acting and incoming Executive Chairpersons and Accounting Authorities, Professor Bonke Dumisa and Professor Joseph Maseko respectively;
- Takes into account all the relevant policies, legislation and the mandate for which the National Consumer Tribunal is responsible; and
- Accurately reflects the strategic outcome oriented goals which the National Consumer Tribunal will endeavour to achieve over the period 2018/19 – 2022/23.



Ahmed Moola

Chief Financial Officer

Date: 31st January 2018



Marelize Bosch

Chief Operating Officer

Head Official Responsible for Planning

Date: 31st January 2018



Professor Joseph Mandla Maseko

Executive Chairperson and Accounting Authority

Date: 31st January 2018

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Table 1: Acronyms and Definitions

Acronym/Term	Description/Definition
ADR	Alternative Dispute Resolution
AGSA	Auditor-General of South Africa
APP	Annual Performance Plan
CCMA	Commission for Conciliation, Mediation & Arbitration
CCRD	Consumer and Corporate Regulation Division
CFO	Chief Financial Officer
CMS	Case Management System
COO	Chief Operating Officer
CIO	Chief Information Officer
CPA	Consumer Protection Act ("Act No 68 of 2008")
DRA	Debt Re-arrangement Agreement
EAF	Enterprise Architecture Framework
ESS	Employee Self-Service
GRAP	Generally Recognised Accounting Practice
HR	Human Resources
ICT	Information and Communications Technology
IT	Information Technology
MIS	Management Information System
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NCA	National Credit Act ("Act No 34 of 2005")
NCC	National Consumer Commission
NCR	National Credit Regulator
NCT	National Consumer Tribunal

Acronym/Term	Description/Definition
NDP	National Development Plan
OECD	Organisation for Economic Co-operation and Development
PAJA	Promotion of Administrative Justice Act ("Act No 3 of 2000")
PDP	Personal Development Plan
PEO	Public Entity Oversight Unit
PESTLE	Political, Economic, Social, Technological, Legal, Ethical and Environmental
PFMA	Public Finance Management Act ("Act No 1 of 1999")
SMME	Small Medium & Micro Enterprise
SR	Strategic Risk
SWOT	Strengths, Weaknesses, Opportunities, Threats
the dti	The Department of Trade and Industry
VUCA	Volatile, Uncertain, Complex & Ambiguous

Introduction

The National Consumer Tribunal was established in terms of the National Credit Act, No. 34 of 2005 (NCA) to adjudicate on applications and referrals in terms of the NCA. In September 2006, sixteen (16) independent Members of the Tribunal, including a Chairperson, were appointed by the President, thereby formally establishing the Tribunal.

With effect from 1 April 2011, the Tribunal's mandate was expanded to include the adjudication of applications and cases referred to it in accordance with the Consumer Protection Act, No. 68 of 2008 ("CPA"). The National Credit Amendment Act (NCAA) also came into effect on the 13 March 2015 and provided for more stringent regulation of participants in the credit market, including payment distribution agents and alternative resolution agents. It further expanded the role of the NCT in that the National Credit Regulator may directly refer the above mentioned parties, who fail to adhere to the prescripts of the NCA as amended, to the NCT. Furthermore, it provided the NCT with an expanded mandate to adjudicate on reckless credit matters.

This Strategic Plan sets out a number of important departures from the NCT's traditional ways of operating. Whilst the NCT's strategic intent has not substantially changed in that its mandate remains the same, its business and operating model has been extensively re-engineered, building the NCT's capacity to deal with its ever-increasing caseload. Going forward, these changes are bound to improve access to timely adjudication and decrease the overall cost of providing adjudication services.

The strategic review process which informed this document has taken cognisance of the ever-changing strategic context and environment within which the NCT operates and is based on a realistic assessment of its core competencies and strategic intent. In particular, the strategic review took into account the following key imperatives:

- the needs of the NCT's primary stakeholders – Consumers, Debt Counsellors and other filing parties;
- the potential role that the NCT can play in delivering on South Africa's national outcomes and key priorities;
- the potential disruptive role of technology going forward; and
- the need for alignment with relevant legislation.

This plan provides a view of the NCT's multi-year projections of programmes and strategic initiatives, aligned with the NCT strategic goals, outcomes and objectives for 2018/2019 – 2022 / 2023.

PART A

PART A: Strategic Overview

1. Mission

The mission statement of the NCT describes its mandate, purpose and scope (who we are, what we do, and why we exist). The **Mission** of the NCT is:

“To be a highly efficient Tribunal providing timely access, professional adjudication and equitable redress to the consumer goods, services and credit industries in South Africa”.

2. Vision

A vision statement provides an inspiring future direction, helps to charter a clear strategic path and moulds organisational identity. This vision statement communicates the NCT’s aspirations to stakeholders and helps focus the energies of all of the NCT’s people in a common direction. The **Vision** of the NCT is:

“To be known as an impartial, professional and easily accessible adjudicative public entity, contributing to sound commercial relationships based on certainty, trust and justice between consumers, businesses and providers of credit in South Africa”.

3. Aspirations

In executing on its Vision and Mission, the Tribunal developed the following aspirational statements to guide its work:

1. To be an **ethical and people oriented organisation** that cares deeply, invests in people and treats everyone fairly, with humility, respect and compassion.

2. To be **service oriented, expeditious and easily accessible** to the people we serve.

3. To be bold **pioneers and thought leaders** who are curious, knowledgeable and have a respected point of view. We will set the benchmarks by which Tribunals should be managed and operated.
4. To create a **safe, secure and enabling working environment** that enables our people to work flexibly and remotely, anytime and at any place.
5. To provide **learning and employment opportunities for the youth** to ensure that they are able to play a meaningful, value-adding role in society and their future workplaces.
6. To **learn from challenging peer reviews and evaluations**. Our aspiration is, at the appropriate time in the future, to be peer reviewed by the OECD.

These **aspirations** are reflected in the guiding principles, values and goals that are contained within this Strategic Plan.

4. Guiding Principles

The following **Guiding Principles** define the NCT's approach to adjudication, and resonate closely with the NCT's values. These foundational principles are aligned to the legislative provisions of the NCA which require that the NCT conducts itself in a manner that is:

- a) Inquisitorial;
- b) Expeditious;
- c) Informal; and
- d) In accordance with the principles of natural justice.

5. Core Values

The NCT's **Values** reflect traits or qualities that represent the requirements of the Constitution of South Africa, in particular Chapter 10 – Public Administration and Batho Pele principles. This emphasizes certain basic values and principles governing Public Administration and requires that Public Administration be governed by the democratic values and principles enshrined in the Constitution. The NCT's values are grounded in strong ethical considerations.

The NCT's **value statements** (aligned with the Batho Pele principles) have been reviewed and consolidated in our 2017 Strategy Review and are set out in Table 2 below:

Table 2: NCT Core Values

Values	Description
Integrity <small>(giving effect to Section 33 of the Constitution)</small>	Valuing justice, being ethical and truthful and acting impartially, without fear or favour, in all adjudications, issues of potential redress and interactions with our stakeholders.
Accessibility <small>(giving effect to Section 32 and 34 of the Constitution)</small>	Being known and available to serve our purpose and mandate, digitally, face to face or through partners in all parts of our country. Communicating clearly in simple language and responding appropriately in a timely manner. Being open to new ideas, thoughts, actions, and taking the time to listen and understand our stakeholders' needs, expectations and interests.
Accountability	Being open and transparent with stakeholders and clearly communicating the basis upon which decisions are made. Accepting personal and collective responsibility for our actions.
Respect	Considering and valuing the diverse views of others, their principles, perceptions and constitutional rights as well as acknowledging their important role as stakeholders.
Reliability	Delivering on our commitments and promises - doing what we say we will do, when we say we will do it!

All NCT Tribunal Members and employees are consistently encouraged to live the NCT's values in all that they do. The NCT will continue to encourage Tribunal Members and employees to do so until such time as the values form an integral part of the work life of all employees at the NCT. Regular communication sessions will continue to be

held detailing the NCT's purpose, mandate, role, functions and ways of working. This will ensure that the NCT's strategy and values remain relevant and become firmly institutionalised.

6. Legislative and Other Mandates

6.1 Constitutional Mandate

The NCT carries out its work with due regard to the fundamental rights as contained in Chapter 2 of the Bill of Rights of the Constitution of the Republic of South Africa. Specifically, the NCT has a direct impact on the provisions of Sections 32, 33 and 34 of the Constitution, under the said Bill of Rights, as set out in Table 3 below.

Table 3: Constitutional Mandate

Constitution	
Section 32	<p>Access to Information</p> <ol style="list-style-type: none"> 1. Everyone has the right of access to <ol style="list-style-type: none"> a) Any information held by the state; and b) Any information that is held by another person and that is required for the exercise or protection of any rights. 2. National legislation must be enacted to give effect to this right, and may provide for reasonable measures to alleviate the administrative and financial burden on the state.
Section 33	<p>Just administrative action</p> <ol style="list-style-type: none"> 1. Everyone has the right to administrative action that is lawful, reasonable and procedurally fair. 2. Everyone whose rights have been adversely affected by administrative action has the right to be given written reasons. 3. National legislation must be enacted to give effect to these rights, and must <ol style="list-style-type: none"> a. Provide for the review of administrative action by a court, or, where appropriate, an independent and impartial tribunal;

	<ul style="list-style-type: none"> b. Impose a duty on the state to give effect to the rights in subsections (1) and (2); and c. Promote an efficient administration.
Section 34	<p>Access to Courts</p> <p>Everyone has the right to have any dispute that can be managed and adjudicated by the application of law decided in a fair public hearing before a court; or where appropriate, another independent and impartial tribunal or forum.</p>

6.2 Legislative Mandate

The work of the NCT is governed by a **legislative framework** as set out in Table 4 below:

Table 4: Legislative Mandate

Name of Act	Purpose
National Credit Act 34 of 2005	To promote a fair and non-discriminatory marketplace for access to consumer credit and for that purpose to provide for the general regulation of consumer credit and improved standards of consumer information.
Consumer Protection Act 68 of 2008	To promote a fair, accessible and sustainable marketplace for consumer products and services, and for that purpose to establish national norms and standards relating to consumer protection; to provide for improved standards of consumer information; to prohibit certain unfair marketing and business practices; to promote responsible consumer behaviour; to promote a consistent legislative and enforcement framework relating to consumer transactions and agreements; to establish the National Consumer Commission (NCC); and to repeal certain laws.

The NCT derives its mandate from **Section 27 of the National Credit Act**. The role of the Tribunal is to **adjudicate** on:

- Applications made in terms of the National Credit Act 34 of 2005 or the Consumer Protection Act 68 of 2008 by consumers, credit providers, credit bureaux, debt counsellors, the National Credit Regulator and the National Consumer Commission;
- Applications for interim relief and review decisions by the National Credit Regulator and the National Consumer Commission;
- Matters referred to the Tribunal by the National Credit Regulator or the National Consumer Commission regarding complaints related to allegations of prohibited conduct; and
- Applications for debt re-arrangement agreements to be made an order of the Tribunal in terms of the National Credit Act 34 of 2005 or consent orders in terms of the Consumer Protection Act 68 of 2008.

As an **independent adjudicative entity**, the NCT's mandate is to hear and decide on cases involving consumers, suppliers of goods and services, credit providers, regulators, debt counsellors, credit bureaux, payment distribution intermediaries as well as alternative dispute resolution agents.

In so doing, the Tribunal hears applications and cases that are premised upon the terms outlined within the NCA, CPA and the Rules of the Tribunal. In pursuing its mandate, the NCT may:

- Adjudicate on any application or referral of prohibited or required conduct that may be made to it in terms of the Acts;
- Effect any order outlined in the Acts, in respect of such an application; and/or adjudicate on allegations of prohibited conduct by determining whether prohibited conduct has occurred and, if so, impose a remedy or relief as provided for in the promulgated Acts;
- Grant an order for costs, with regard to these Acts;
- Exercise any other power conferred on it by these Acts.

The NCT adjudicates on applications and referrals of prohibited and required conduct in pursuance of the purpose of the NCA and CPA set out in Section 3 of these Acts respectively in accordance with Section 142 of the National Credit Act, the imperatives of the Constitution and the provisions of the Promotion of Administrative Justice Act (PAJA).

7. Delivery Model for Resolving Consumer and Credit Disputes

The tiered diagram in Figure 1 below depicts the Tribunal's relative position, in relation to other entities, for resolving consumer and credit disputes. , It shows the escalation process that is embarked upon in relation to disputes in terms of the National Credit Act and Consumer Protection Act, should resolution not be reached at a certain level:



Figure 1: Delivery Model for resolving consumer and credit disputes

8. Situational Analysis

8.1 Performance Environment (External: PESTLE)

In updating its assessment of the external environment and its potential impact, the NCT has performed an External Performance Delivery Environment Analysis using a PESTLE analysis, a SWOT analysis, Stakeholder Analysis and a Risk Review.

The NCT's macro-environment was assessed, taking into consideration the **Political, Economic, Social, Technological, Legal / Ethics & Environmental** trends indicated in Tables 5, 6 and 7 below. These trends have informed the development of strategic goals and objectives to steer the Tribunal on its path to deliver on its mandate.

Table 5: Political & Technological aspects

Political	Technological
<ul style="list-style-type: none"> ▪ State capture and the perceptions created about public sector corruption, ethics and procurement practices. ▪ Service delivery challenges. ▪ Poor quality service delivery at a regulator level will impact the volume of cases coming to the NCT and on the cost of providing services. ▪ An active citizenry – mobilising against state capture and poor service delivery. ▪ Change in political direction – new policies and goals may be set that could impact on NCT mandate. ▪ Rise in populism with a more militant approach to social change. ▪ Potential pre and post-election 2019 changes in the political administration. ▪ Need for pan-African growth, development and harmonisation of legislation / regulations – Africa Dialogue. 	<ul style="list-style-type: none"> ▪ Cyberterrorism, ransomware and increased information security challenges – including the increasing sophistication of threats on IT security, data and HR processes. ▪ The rise of ‘big data’, predictive analytics, artificial intelligence as well as intelligent forecasting and reporting tools. ▪ Advances in technology in line with the ‘Fourth Industrial Revolution’ – robotics, nanotechnology & the ‘Internet of Things’. ▪ Wi-Fi hotspots rolled out by cities creating increased access to NCT - access to information for ordinary people is easier. ▪ Increase in on-line commercial transactions requiring the strengthening of e-consumer protection and new ways of adjudicating on such cases. ▪ The advent of e-government and the increased delivery of public services through digital platforms and channels ▪ Ability to work from anywhere – ICT enabled. ▪ Real potential of a paperless environment.

Political	Technological
	<ul style="list-style-type: none"> ▪ Low cost access to technology & communications devices such as smartphone's. ▪ More technology players, lower cost of communications & technology. ▪ Increasingly cost effective records management technology. ▪ The need to bridge the increasing 'digital divide' in society

Table 6: Economic & Legal / Ethics aspects

Economic	Legal/Ethics
<ul style="list-style-type: none"> ▪ Downgrade in SA's sovereign credit ratings to junk status by Ratings Agencies. ▪ Continued recession impacting on already financially stressed consumers and businesses - recent report released by NCR reflecting increasing indebtedness and increase in debt reviews. ▪ Increase in self-employment. ▪ Ongoing drought and increase in food prices. ▪ Public sector cost cutting and consolidation of public entities. ▪ Increasingly blurred lines between consumers and small businesses as people opt for self employment as job opportunities in the formal sector decrease. 	<ul style="list-style-type: none"> ▪ More laws, increasing moral prescription rather than reliance on ethics or moral guidance. ▪ POPI in force. ▪ Perceptions of regulatory capture – undue influence over NCT by other regulators. ▪ Amendments to National Credit Act. ▪ State of the judicial system impacting the NCT. ▪ Prosecutorial approach impacts e.g., efficacy of the legislation. ▪ Implementation of various laws and impact on NCT – The Secrecy Bill, Superior Court Act , Ready for King 4, COBIT V, Financial Sector

Economic	Legal/Ethics
<ul style="list-style-type: none"> ▪ Weakening of Rand, rising inflation levels and possible interest rate increases. ▪ BBBEE compliance requirements. ▪ Cases of reckless lending. ▪ The ongoing worldwide economic recession and downward adjustment of economic growth forecasts. ▪ Economic impact of power outages and increasing power costs. ▪ Increase in on-line transactions. ▪ Financial constraints on the fiscus. ▪ Possibility of further consolidation of public sector entities. ▪ The rise of Debt Counsellor initiated bulk filing of cases. 	<ul style="list-style-type: none"> Regulation Bill –Twin Peaks - approach to financial regulation. ‘Twin Peaks’ legislation – will have implications for centralisation of consumer protection legislation & role of NCR. Increased access to judicial process through broadcasting of trials and proceedings. Changes to the NCT’s rules and filing fees. Rise of ‘green’ taxes.

Table 7: Social & Environmental aspects

Social	Environmental
<ul style="list-style-type: none"> ▪ Increased awareness and mobilisation of people on the ground - promote political agendas that might impact NCT. ▪ Unrepresented consumers & consumers with low literacy levels before the Tribunal. ▪ Urbanisation – Rural to Urban 	<ul style="list-style-type: none"> Climate change – current widespread drought causing food price increases and reducing consumer disposable income. NCT environmental responsibilities in respect of sustainable consumption. Need to focus on employee safety

Social	Environmental
<p>migration.</p> <ul style="list-style-type: none"> ▪ High levels of unemployment. ▪ Need for Youth Development. ▪ Active Citizenry - demand for improved access to services and improved service delivery. ▪ Increase in flexible working practices. ▪ Rise of social media and digital interconnectedness. ▪ Poor standard of educational system. 	<p>and wellness in the workplace.</p> <ul style="list-style-type: none"> ▪ Potential future costs of acid leaching and mine rehabilitation. ▪ Increasing resource scarcity – water & electricity. ▪ Rise in environmentally friendly practices - need to minimise NCTs carbon footprint. ▪ Need to innovatively share and package information. ▪ Reduced consumption - printing, water and electricity.

Noteworthy within the PESTLE analysis is the confluence between decreased costs and increased accessibility associated with technology, the ever-increasing competency of NCT officials and more flexible / environmentally-friendly commuting and working practices which are increasingly possible in a ‘connected’ world. These emergent technologies have enabled the Tribunal to reconfigure the way it works, providing greater cost efficiency, improved access and other important benefits. It is clear that all of the lead indicators in the NCT’s environment point to the fact that the NCT will have an ever-increasingly important adjudicative function to fulfil over time. The rise in consumer activism and awareness, coupled with an increasingly negative economic climate has the strong potential to generate increased caseload for the NCT.

Whilst the NCT’s caseload projections have been revised downward as a result of the withdrawal of a substantial number of DRA cases by one Debt Counsellor, this is seen as a ‘once-off’ event and will not significantly impact the ongoing upward trajectory in NCT cases. There is also a strong possibility that Debt Counsellors are holding back on the submission of cases in anticipation of the imminent release of bulk filing technology by the NCT. Once operational, this technology will increase Debt Counsellor efficiency with reduced administrative costs and less time spent on filings.

The Tribunal will continue to monitor the ongoing developments in its external environment in order to respond timely, appropriately and with relevance to any significant shifts or changes.

8.2 Organisational Environment (Internal-SWOT)

A SWOT analysis is a strategic tool for evaluating an organisation's resource capabilities and deficiencies. The NCT's internal strengths and weaknesses, together with the external opportunities and threats referenced earlier, were evaluated to provide a basis for re-aligning, re-prioritising and refining the NCT's goals and objectives. The purpose of the analysis is for the NCT to optimise identified strengths, harness opportunities, offset identified weaknesses and mitigate threats.

- **Strengths** are those factors that give the NCT a distinctive advantage in increased efficiency or effectiveness within its particular environment. It may use such factors to accelerate and sustain the achievement of its strategic goals.
- **Weaknesses** refer to limitations, faults, or defects within the organisation that prevent it from achieving its goals; these identify those activities the Tribunal performs poorly or where it has inferior capabilities or limited resources as compared to other similar organisations.
- **Opportunities** include any favourable current or prospective situations which could be facilitated to allow the NCT to enhance its efficiency and effectiveness.
- **Threats** may be a barrier, constraint, or anything which may create challenges, or inflict damages, harm or injury to the NCT.

Table 8: List of Strength and Weaknesses

Strengths	Weaknesses
<ul style="list-style-type: none"> ▪ Increase accessibility and cost saving as a result of successful implementation of Motion Court. ▪ Affordable alternative to the courts (Goal 1 & 2). • Independence and impartiality (Goal 1). ▪ Case turnaround times post hearings. ▪ Sound relationships with stakeholders – as evidenced by numerous letters of 	<ul style="list-style-type: none"> ▪ Documents and records management systems and practices not always effectively operationalised. ▪ Late delivery of files and documentation to Tribunal Members. ▪ Ineffective screening of cases and legal interpretation of costs orders. ▪ Insufficient guidance to Debt Counsellors – not doing enough before Notice of Incomplete Filing is issued.

Strengths	Weaknesses
<p>appreciation.</p> <ul style="list-style-type: none"> ▪ Performance ethic – achievement of business plan targets and clean audits - four years in succession (Goal 1). ▪ Competent leadership team with the ability to be innovative and adaptable. ▪ Effective financial and governance structures and committees. ▪ Financial disciplines and management (Goal 3). ▪ Legislative empowerment & authority. ▪ Sound policy and procedure framework (Goal 3). ▪ Diversity and relevance of knowledge and expertise of Tribunal Members and employees (Goal 3). ▪ Pool of contingent employees and available Part Time Tribunal Members. ▪ Sound adjudicative quality – only two successful adjudicative challenges in past year and three, in total, since inception. ▪ Introduction of Case Management System enabling efficient and effective ingestion of data through e-filing. ▪ New budget model working well. ▪ Availability of automated reporting. ▪ Positive shifts in NCT's organisational culture and climate – core cohesive, driven by improved ways of working, 	<ul style="list-style-type: none"> ▪ The lack of Visibility of the NCT and awareness of its on line CMS with e-filing capability. ▪ Insufficient 'push' communication via appropriate digital media – website and social media. ▪ Poor approach to, or insufficient communication externally leaves too much to other regulators. Need to establish independent identity and make presence better known including the way of operating . ▪ Performance Management – too much information required driving form rather than substance. ▪ Too many rules and too much bureaucracy – Operating System too inflexible and based on too many procedures / controls. ▪ Absence of employee benefits. ▪ Inability to influence the number and complexity of cases (Goal 3). ▪ Increase in caseload creating backlog and negatively impacting administrative efficiency. ▪ Current inability to access cases and information quickly and accurately. ▪ Workspace constraints (Goal 3). ▪ Lean organisational structure and resourcing challenges.

Strengths	Weaknesses
<p>constructive conversations and greater caring for and nurture of people.</p> <ul style="list-style-type: none"> ▪ Streamlined management meetings and reports. ▪ More effective and strategic HR capability. ▪ Better internal communication – across departments and levels. ▪ More focused structure with clearly defined work areas and accountabilities. 	<ul style="list-style-type: none"> ▪ Requirement for greater clarity on roles and decision rights ▪ Lack of operational change management. ▪ Lack of internal ICT support capacity on specialized aspects. ▪ Requirement for more advanced workforce digital competencies • Funding challenges.

Table 9: List of Opportunities and Threats

Opportunities	Threats
<ul style="list-style-type: none"> ▪ Due to amendments to legislation we can issue binding practice guidelines to assist filing parties. ▪ The NCT's growing digital capability and adjudicative efficiency. ▪ Case precedent development. ▪ Utilise 1 TM rather than 3 on non-DRA matters. ▪ Potential for NCT to become an Appeals Tribunal. ▪ Knowledge sharing with other national, regional and international consumer protection agencies. ▪ Grow structure through a flexible combination of permanent and 	<ul style="list-style-type: none"> ▪ Uncertainty with regard to the pace of increase in future caseload. ▪ Powers of the NCT - policy changes required to position NCT more assertively with regard to other regulators. ▪ Length of time required to make changes to enabling legislation. ▪ Inability to meet external demands beyond organisational capacity. ▪ ICT security threats and safeguarding of public information - vulnerability to cyber-terrorism and ransomware. ▪ Potential of negative impact on employee morale as caseload

Opportunities	Threats
<p>contingent employment.</p> <ul style="list-style-type: none"> ▪ Enhanced visibility and role differentiation through building relationships with other credit and consumer regulators / agencies. ▪ Focus on youth development and employment in alignment with the dti and Government objectives (i.e. NDP) while containing costs. ▪ Increased potential for Alternative Dispute Resolution including potential use of mediation as way of enabling litigants to resolve differences. ▪ Develop capacity of provincial courts. ▪ Enhancements of Case Management System to allow intelligent access to information by Tribunal members - semi-artificial intelligence system for electronic retrieval of relevant information based upon key meta tags. ▪ Full utilisation of advanced financial system. ▪ Increase stakeholder and consumer awareness of the NCT's operations through introduction of electronic education system. ▪ Engage with stakeholders – build personal relationships in their space (parliament etc. – attendance at Portfolio Committee meetings). 	<p>rises without commensurate increase in resources.</p> <ul style="list-style-type: none"> ▪ Low levels of future user adoption of technology enabled processes. ▪ Reducing number of efficiency improvement opportunities as technology enhancements are successfully implemented. ▪ High compliance costs ratio to income as well as resource requirements. ▪ Delays in implementation of full CMS.

9. Stakeholder Analysis

The NCT has a variety of stakeholders who have the potential to influence the operations of the NCT. These stakeholders have needs and expectations that must be taken into account - as tabulated in Table 10 below:

Table 10: Stakeholder Analysis Matrix

Stakeholder	Influence	Expectation
The Governance Committees	<ul style="list-style-type: none"> • Strategic direction 	<ul style="list-style-type: none"> • Transparency • Accountability • Governance, Integrity, Ethics
Department of Trade and Industry (The DTI)	<ul style="list-style-type: none"> • Approvals and Timing of: <ul style="list-style-type: none"> ◦ Approvals ◦ Assistance • Appointment of executive Chairperson/ Tribunal Members 	<ul style="list-style-type: none"> • Conformance • Governance Continuity Reporting
Parliament Portfolio Committee's	<ul style="list-style-type: none"> • Sanction • Legislation 	<ul style="list-style-type: none"> • Accountability • Governance, Integrity, Ethics • Contribution to National Priorities
Filing parties	<ul style="list-style-type: none"> • Public Perception • Turnaround • Risk Profile 	<ul style="list-style-type: none"> • Clarity of criteria • Transparency • Responsiveness • Turnaround • Mentorship/guidance • Interaction • Accessibility, Fairness, Consistency, Feedback

Stakeholder	Influence	Expectation
Employees & Tribunal Members	<ul style="list-style-type: none"> • Productivity • Morale • Public Perception • Performance Effectiveness 	<ul style="list-style-type: none"> • Fairness • Respect of Worker Rights • Equity • Involvement • Best Practice HRM policies/practices Conducive work environment Adequate resourcing • Transparency • Ethical Behaviour
Interest Groups/Debt Counsellors /NCR/NCC/Regulatory bodies	<ul style="list-style-type: none"> • Public perception • Policy • Structure 	<ul style="list-style-type: none"> • Transparency and Fairness • Control of excessive participation • Communication, Involvement, Enforcement • Sound decisions • User-friendly systems that decrease their costs and improve their efficiency
Auditor-General (AGSA)	<ul style="list-style-type: none"> • Governance • Compliance • Public Perception 	<ul style="list-style-type: none"> • Conformance to Legislation/Standards • Integrity • Comprehensiveness and Accuracy of Information • Reporting
Media	<ul style="list-style-type: none"> • Public Perception 	<ul style="list-style-type: none"> • Regular Communication • Transparency • Access to Information
Organised Labour	<ul style="list-style-type: none"> • Policies • Productivity 	<ul style="list-style-type: none"> • Framework for engagement • Willingness to work, Transparency, Communication, Fairness • Structures • Enabling environment for association

Stakeholder	Influence	Expectation
The Public	<ul style="list-style-type: none"> Operations Strategy Culture 	<ul style="list-style-type: none"> Transparency Consistency Integrity Information sharing
National Treasury (NT)	<ul style="list-style-type: none"> Regulatory environment Policies and procedures Financial assistance 	<ul style="list-style-type: none"> Reporting Governance
Suppliers	<ul style="list-style-type: none"> Risk Effectiveness Turnaround 	<ul style="list-style-type: none"> Transparency Fairness Consistency, Ethical Behaviour

10. Organisational Structure

10.1 Governance structure

The National Consumer Tribunal (NCT) is a Schedule 3A public entity that reports to the Executive Authority i.e., the Minister of Trade and Industry through the Consumer and Corporate Regulation Division (CCRD) and the Public Entity Oversight Unit (PEO) of the Department of Trade and Industry (“**the dti**”). The NCT’s activities are funded by the provision of a budget from funds voted annually to **the dti**. The NCT Executive Chairperson (the Chairperson) is accountable for the NCT governance and oversight, inclusive of oversight of operational management.

Good governance is crucial to business sustainability and growth of the organisation. The NCT has three committees that advise the Accounting Authority on matters pertaining to governance. These are the Audit and Risk Committee, the Human Resource Governance Committee, and the ICT Governance Committee. Each of these committees functions by way of a formal Charter.

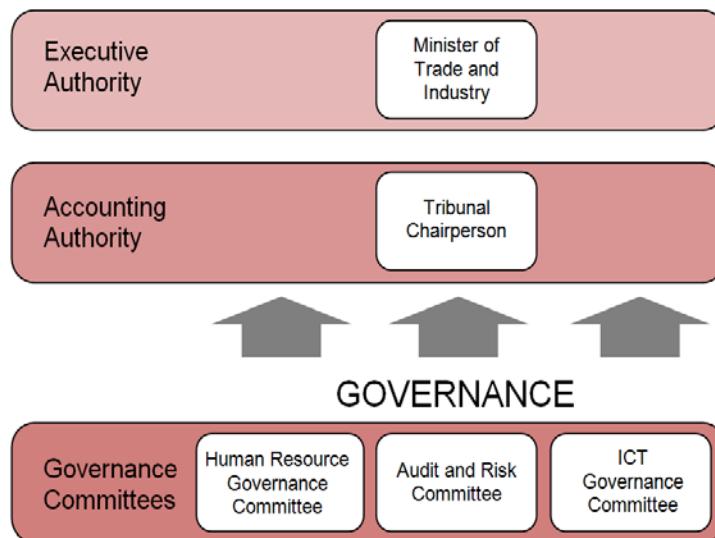


Figure 2: NCT Governance Committee Reporting Structure

10.2 Operational structure

The **current** operational structure of the NCT was included in the 2015/16 APP and was subsequently approved by **the dti**. The **future** proposed structure has been adjusted over time to ensure that it remains relevant and appropriate to organisational requirements. It ensures that the NCT continues to have the right people, with the right skills and competencies available at the right time, at the appropriate level to deliver on its mandate.

The NCT has been on an ongoing journey to develop ICT enabled systems and processes to ensure the efficiency and effectiveness of its operations and to operate within the constraints of its available budget and human resources. The coming 2018/19 year marks a significant milestone in its structural evolution with the maintenance and support of the implemented enhancements to the NCT **Case Management System (CMS)**. The CMS functionalities that were included are for the electronic ingestion of data via XML files directly into the NCT CMS database thereby reducing the resources required for data capturing / the risks of inaccurate capturing of such data into the CMS; a decision support system to speed up adjudication of DRAs filed electronically and a purse management system to facilitate payment of filing fees and the reconciliation thereof.

The continued implementation of additional digitally enabled functionalities to the NCT Case Management System (CMS) will significantly impact the NCT's structural arrangements. A key implication is that the shape of the NCT organisation structure may well change with a need to appoint or employ professionals with different expertise

to those currently in place. This implies fewer administrative workers and more value-adding knowledge workers with sound evaluative and conceptual thinking skills. This will mean that there may well be a need for current employees to undergo retraining to enable them to acquire the necessary digital / technology related skills. It will also require managers to hone and further develop their competencies to more effectively manage in a high tech, highly skilled, knowledge intensive work environment.

The **key driver** with regard to the number and type of future resources required remains the NCT's **caseload** and its level of ICT enablement and automation. A variable caseload requires a flexible and agile structure. The organisational structure of the NCT has therefore been **designed** according to the **design principles** of consistency, continuity, independence, impartiality, accountability, efficiency and flexibility.

- In order to ensure **consistency and continuity**, the NCT will continue to iterate its Workforce Planning / scenario forecasting (quantitative and qualitative) exercises that will determine its specific future resourcing requirements for coming years.

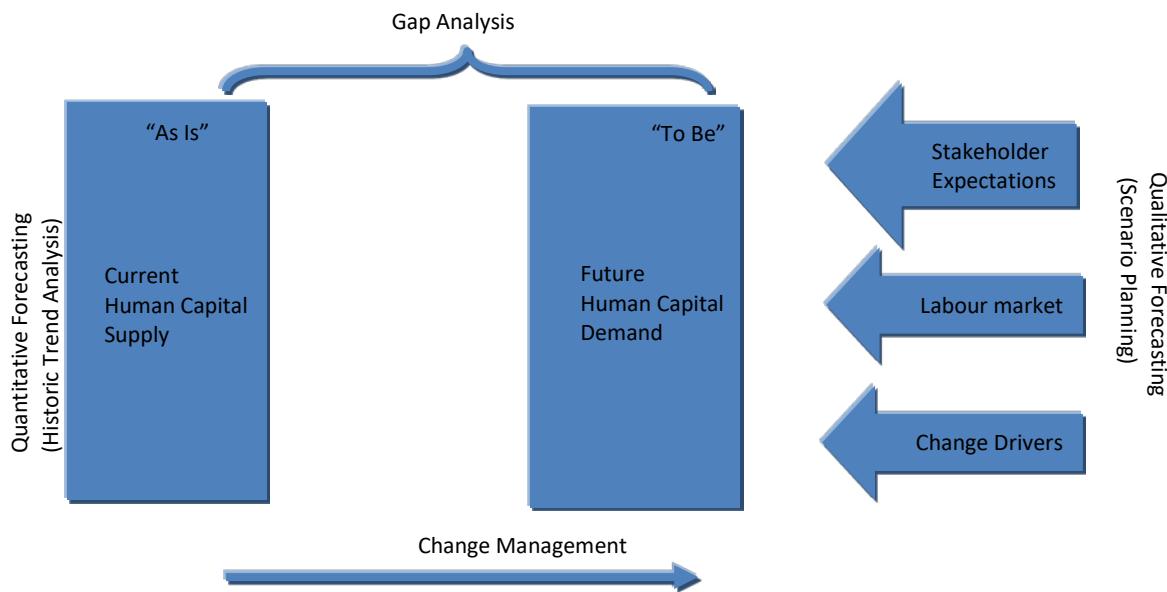


Figure 3: Human Capital Gap Analysis

- To ensure the clear **independence and impartiality** that underpin administrative justice, the NCT will continue to implement an optimal structure that effectively segregates **non-compatible functions** from one another. This contributes to ensuring robust internal control processes. The Chief Operating Officer (COO) oversees the operations of the NCT. All senior managers therefore report directly to

the COO. In turn, the **Executive Chairperson** oversees the COO, Executive Assistant and Full- and Part-Time Tribunal Members.

- To ensure **accountability**, the NCT, wherever possible, ensures that whole work processes with discrete work products are owned ‘end to end’ by functional teams. An example of this is the Case Management function, which, from receipt of an application up to issuing of an order, is wholly owned by the Registrar’s Office.
- In order to ensure **efficiency**, the NCT is structured to include a combination of permanent and contingent employees. This allows for the NCT’s work-force and employment cost to flex and adjust to the NCT’s variable case load as well as to the interventions designed to ensure that the Tribunal delivers on this case load. It also provides an opportunity for the NCT to carefully manage the transition process from manual to automated work without having to employ permanent employees in unapproved positions within any future Workforce and Strategic Sourcing Plan.
- To ensure the necessary employment **flexibility** required to meet the demands of peak caseload, the NCT employs temporary and fixed term contract employees as well as interns with a view to enable them to gain important work-skills and experience in Consumer regulatory issues. This enables them to progress to permanent positions elsewhere in the commercial sector.
- Should there be suitable vacant permanent or contract positions in the NCT at the end of their contracts, interns may also be considered for these positions. The number of interns will remain stable over the specified annual period. In this way, the NCT enjoys an ongoing supply of young, talented and committed people who add richness and diversity to the NCT’s culture.
- To ensure that support functions are efficient and able to deliver integrated solutions to core business requirements, the NCT employs a **Corporate Services Executive** to lead the work of HR, Communications and the Secretariat / Compliance functions in alignment with the direction provided by the **Corporate Services Strategy**.

The ability of the existing Tribunal Members to adjudicate on cases is directly impacted on by the numbers and types of cases filed with the Tribunal. With the sustained growth in the number and types of cases filed with the Tribunal (due to the increased uptake of Tribunal services and its increased mandate arising out of the National Credit Amendment Act), an additional five (5) part-time and one (1) full-time Tribunal Members have been appointed, increasing the complement of Tribunal Members to eighteen (18) Tribunal Members (Full-Time Chairperson, 3 Full-Time Tribunal Members and 14 Part-Time Tribunal Members).

The Senior Liaison Officer from the Corporate Services unit and the Executive Assistant to the Executive Chairperson, together with the COO, assist the Executive Chairperson with strategic communications. This facilitates the NCT's effective engagement with all of its key stakeholders to ensure that the NCT is known and accessible to the citizens of South Africa and that its strategy has a positive impact on the broader consumer regulatory environment. The Tribunal has high regard for the input of stakeholders. Through its regular stakeholder engagements, it ensures that it is able to better understand their needs, is able to more accurately forecast its future case flow and the resources required as well as utilise its resources most effectively in delivering on its mandate.

The position of **Executive Strategic Support** is also included in the structure, to provide comprehensive support to the Executive Chairperson with specific focus on special projects, operational matters, compliance, general administration as well as overall strategic support.

The **Corporate Services Executive**, supported by the HR and Facilities Manager, drives the Human Resource Strategy and Plan. HR's focus has shifted from a traditional "support unit" to one that is now a strategic delivery partner. Human resources functions incorporate amongst others, organisation design, strategic workforce planning and sourcing as well as human resource development, inclusive of a focus on ongoing learning. The service delivery of the Human Resource unit has improved greatly over the past year with both its business partnering and strategic orientation receiving a great deal of focus. In order to fully capacitate HR, an HR Officer will be appointed. This role will support the HR function as well as other Corporate Services functions in the NCT going forward, specifically in relation to procurement and projects. The transition from manual to digitally based operations has required support from HR at a strategic level in order to develop and implement effective change management, career development, re-training and personal development. To ensure the consistent communication of business objectives and changes, as well as the engagement of all staff at all levels, HR also manages **internal communications**.

The **role of HR** in the Tribunal also includes ensuring employment-related regulatory compliance as well as the appropriate design and utilisation of all aspects of its physical space to create an optimal, safe and cost effective environment for NCT employees and Tribunal Members. This is accomplished by managing the core facilities management activities which include Occupational Health and Safety (OHS), maintenance, and cleaning.

The **Case Management and Records Management** processes are managed in the Registrar's Office with direct end to end responsibility for this important process. This allows for a clear differentiation of responsibilities with the Registrar's Office owning the administrative process and Tribunal Members being directly accountable for sound decision making and timely adjudication.

It is reasonably expected that the NCT's structure will continue to further adapt as demand for its services increases. The NCT will ensure that a comprehensive, proactive **Workforce and Strategic Sourcing Plan** (which includes a combination of temporary, fixed term contract and permanent employees) will be developed to enable timely, pro-active and effective sourcing of people in line with its needs and requirements. The NCT's current and future organisation structure will ensure the appropriate blend of leadership continuity and workforce flexibility that ultimately contributes to the NCT being an agile, responsive and efficient organisation. The following **function-specific** implications have also been noted:

- **Tribunal Members**

DRAs will always require adjudication by a Tribunal Member whether or not a decision support system is operational and used as there is a clear requirement for accountability regarding adjudicative decisions taken. The implementation of a decision support system may also deliver greater efficiency depending on the extent to which the DRA support system adds the intended value to the adjudicative work of Tribunal Members.

Only once the system has been piloted will any such efficiencies become obvious. Any such efficiency gains may thereafter be factored into the NCT's metrics of success and operational requirements.

The net effect of any increased efficiency may however be negated by the consistent and sustained increase in filings of **DRAs** as experienced over the past few years and anticipated in future. Manual filings are also expected to increase as increased access to the NCT's services is achieved.

Tribunal Members are also required to deal with **non-DRAs**, which are very resource intensive and are increasing in number and complexity. To deal more efficiently and effectively with non-DRAs, it is proposed that the NCT offers and utilises a mediation service prior to adjudication to enable disputes to be timely resolved. It has also been proposed that the number of Tribunal Members selected for non-DRA adjudication be reduced from the current three to one. This will however require legislative amendments to be brought about to ensure the appropriate legal standing for such adjudication.

- **Registrar's Office**

The ongoing increase in the number of DRA and non-DRA cases received by the NCT has a significant impact on the case and record management requirements of the Registrar's Office despite the obvious efficiency advantages provided by ICT enablement. If the NCT is to be more pro-active, responsive to stakeholders and more effective in reducing case backlogs, it will require greater specialisation, intelligent evaluation of its caseload and effective managerial oversight. ICT enablement and the standardisation of reports within the CMS system will all contribute to more effective working. For these reasons, two new positions have been added in the Registrar's Office. These are for a Records Officer and a Deputy Registrar. These positions will assist in significantly decreasing the risks associated with a lack of employment continuity in the Registrar's Office and provide some scope for career advancement in what is essentially a very flat organisational structure.

The consequential impact of the CMS implementation on the Registrar's Office is that there will be a decrease in the future requirements for manual data capture and basic administrative assessment work. It is for this reason that many of the current Data Capturers have been employed on fixed term contracts. It is likely that the **re-organisation of the Registrar's Office** will have the following consequences:

- The future **non-renewal** of fixed term data captures contracts.
- A focus on ensuring **greater clarity on roles, accountabilities** and decision rights as well as focused supervision of work.
- A **re-alignment of duties** and ongoing **re-training**.

- **ICT Unit**

- The **CIO** is responsible for ensuring the integrity and security of the NCT's ICT infrastructure, systems, applications, data and information flow with authorised access.
- **Applications support specialist/s** will be required on an 'as-and-when' basis to support users of the CMS. This is important as the system is central to the NCT managing its case load in an efficient and effective manner.

- The NCT remains mindful of the fact that, with the uptake of new technologies, there will be a need for a focus on **IT skills development** of both employees and Tribunal Members to prevent any capability gap from widening.

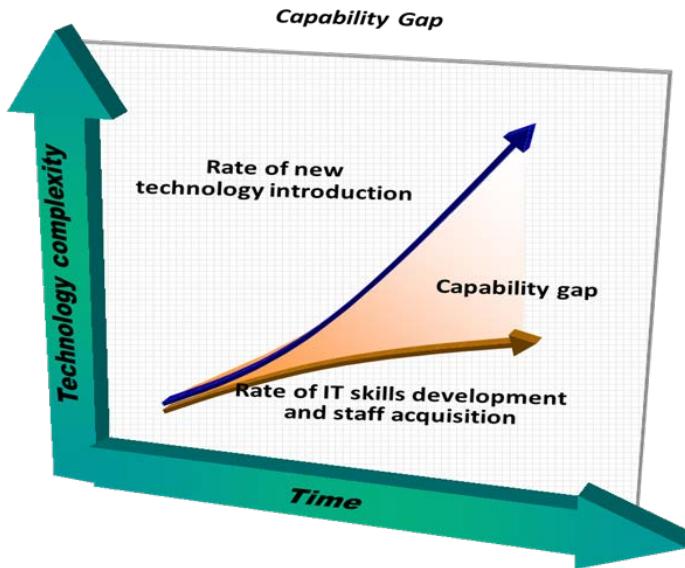


Figure 4: Technology uptake vs rate of IT skills development to prevent capability gap

As the implementation of the CMS reaches a point where it is delivering automation and integration (with other systems – internal and external) benefits, attention will be focused on increasing the intelligence of the system through intelligent decision support and reporting. It will also focus more on the way ICT can enable remote access to information to ensure that the NCT's accessibility goal is achieved. It is for this reason that the NCT has developed a digital strategy, behind which the work of ICT will be aligned. This will require ICT to become more externally rather than internally focused.

The following **organogram** represents the **proposed future organisational structure** for 2018/19 of the NCT. It sets out the operational structures, based on the NCT's Strategy, which will best enable it to deliver on its mandate.

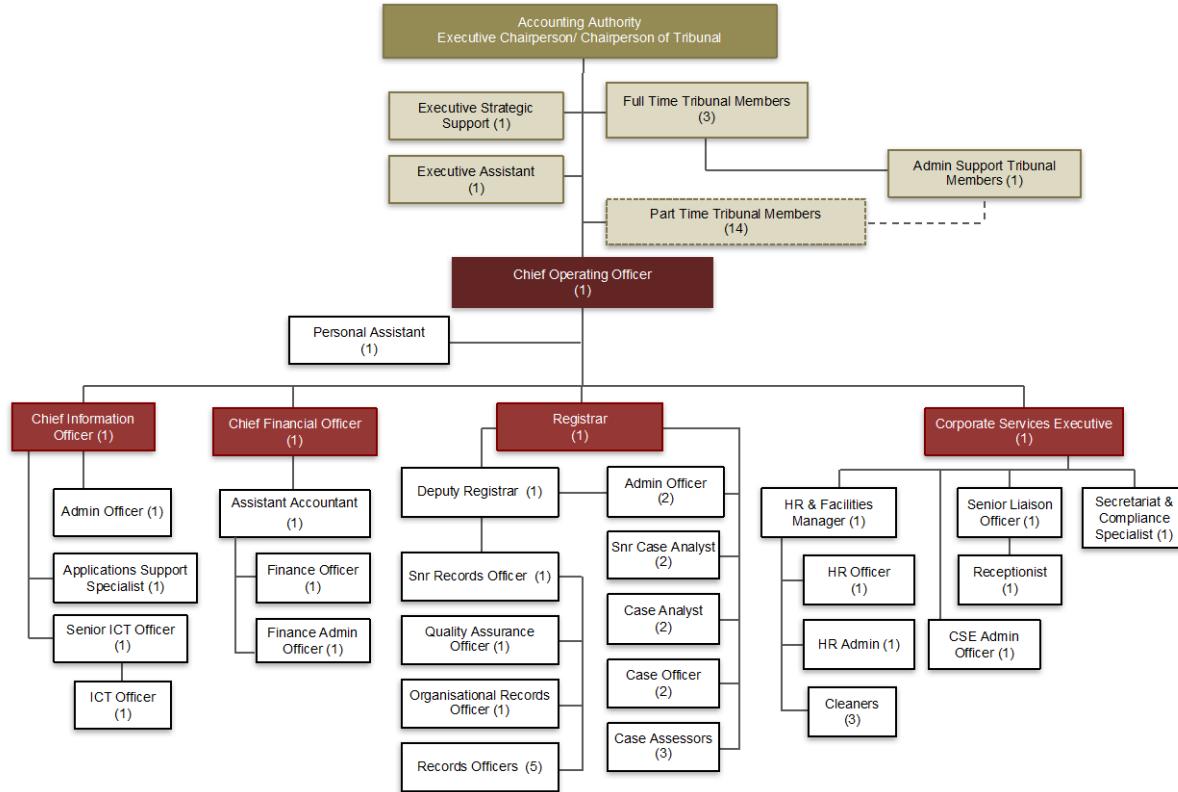


Figure 5: NCT High Level Organisational Structure 2018/19

11. Description of the Planning Process

The NCT is committed to an ongoing, inclusive process of strategy crafting, planning, alignment and review. As an important part of this process, the NCT engages with its key stakeholders and obtains structured inputs into its planning and review process. In 2017, the following workshops were held to provide relevant input into the NCT's Strategy and Annual Performance Plan:

- On 3rd, 4th, 5th, 10th and 11th July 2017, the NCT leadership Team participated in a workshop to review and course correct the current NCT Strategy and to plan amendments to the APP, Strategy and Business Plan going forward.
- On 30th July and 1st August 2017, all employees of the NCT were collectively engaged in a workshop to better understand, inform and mitigate the strategic risks and opportunities as well as the potential fraud risks facing the Tribunal.

- During the course of November and December 2017, the NCT leadership participated in a Digital Strategy Workshop to develop and agree on a comprehensive Digital Strategy.
- During the course of November and December 2017, the NCT Corporate Services team participated in a Corporate Services Strategy Workshop to develop and agree on a comprehensive Corporate Services Strategy.
- No comments or suggested changes have been received from the dti since submission of the NCT's first draft APP.

12. Strategic Goals and Objectives

The NCT's Strategic Goals were derived from an extensive assessment of the macro-environment within which the NCT operates; its **internal** strengths and weaknesses, as well as its **external** opportunities and threats (challenges). Critical challenges and opportunities facing the NCT were reviewed, refined and reshaped to define critical areas of focus for the NCT over the next five years.

The following Strategic Goals will be pursued by the NCT over the period 2018/19 to 2022/23 and will receive a clear focus in this Strategic Plan. They are aligned to detailed and measurable objectives, which provide a way to commit resources and accountabilities to a particular course of action. The strategic objectives are supported by projects and/or activities which will be detailed in the operational plans of the organisation. The NCT's **strategic goals** are as follows:

GOAL 1: To effectively and efficiently manage and adjudicate on matters brought to the NCT.

GOAL 2: To contribute to efficient, effective and accessible Consumer regulation and adjudication.

GOAL 3: To ensure effective and efficient Organisational Management.

The following **Table** sets out the alignment between the NCT's Strategic Goals, its key value drivers and its strategic objectives:

Table 11: Strategic goals, key value drivers and strategic objectives

Strategic Goals	Key Value Drivers	Strategic Objectives
To effectively and efficiently manage and adjudicate on matters brought to the NCT	<ul style="list-style-type: none"> • Expeditious processing and finalising of matters brought to the NCT. • Research on relevant topics to support Tribunal members. • High quality, consistent decisions. • Cost effective, accessible adjudication. • Technology enabled workflows, processes and channels. • Access through multiple channels. 	<ul style="list-style-type: none"> • To expedite service delivery through the expeditious finalisation of complete debt re-arrangement applications • To expedite service delivery through the expeditious finalisation of non-DRA applications and referrals. • To ensure that the NCT decisions are substantively and procedurally correct.
To contribute to efficient, effective and accessible Consumer regulation and adjudication	<ul style="list-style-type: none"> • Follow a consultative approach. • A knowledge-based organisation. • Translating knowledge into intelligence. • Submissions based on sound analysis of facts. • Communicating of 	<ul style="list-style-type: none"> • To ensure cooperation and partnership amongst external stakeholders through ongoing engagement. • To build Tribunal capacity through research papers or approved briefing papers on consumer protection and credit

Strategic Goals	Key Value Drivers	Strategic Objectives
	<p>information and data known to the NCT.</p> <ul style="list-style-type: none"> • Providing multiple access channels. 	<p>related matters, added to the NCT knowledge database.</p> <ul style="list-style-type: none"> • To ensure that the NCT is increasingly accessible to the people of South Africa.
<p>To ensure effective and efficient Organisational Management</p>	<ul style="list-style-type: none"> • Sound governance and oversight. • Sound management. • Teamwork & collaboration. • Role clarity & accountability. • Effective internal processes, systems and controls. • ICT enablement. • Effective resourcing. • Sound Human Resources & management practices. 	<ul style="list-style-type: none"> • To ensure that the Tribunal has adequate human resources to deliver in accordance with its mandate. • To enhance operational efficiency by implementing an enabling ICT architecture. • To effectively and efficiently manage the financial resources of the NCT. • To expand economic opportunities for historically excluded and vulnerable groups.

13. Alignment to Government-wide Priorities and Outcomes

In his 2015 State of the Nation Address (SONA), the President announced a nine-point plan comprising of a number of important initiatives to accelerate economic growth. The **dti** is leading the development and implementation of three areas of the nine-point action plan; advancing beneficiation and adding value to our mineral wealth, industrial policy action plan and encouraging private sector investment. All these efforts are geared towards accelerating economic growth and improving the current account. The NCT supports **the dti** in its contribution to the strategic areas as identified in the nine-point plan. We will use our incentives more strategically as we continue to create jobs focussing particularly on the youth, females and the disabled.

Furthermore, if South Africa is to achieve inclusive growth, stronger and more direct efforts must continue to be made to broaden participation in the economy. The NCT will continue to actively comply with the Broad-Based Black Economic Empowerment (B-BBEE) Amendment Act, 2013 (Act No. 46 of 2013) together with the revised Codes of Good Practice – thereby continuing to provide opportunities and support for black supplier development. The NCT will through these efforts contribute towards realising the South African vision of a more equitable and inclusive economy.

The insights of the National Development Plan (NDP) are self-evident and it continues to provide an outstanding framework for all South African public sector entities to align their work to.

During the strategic planning process, the NCT ensured the alignment of its Strategy, Annual Performance Plan and Business Plan with the NDP, the Government's Medium Term Strategic Framework (MTSF) as well as the strategic direction of **the dti** and its Consumer and Corporate Regulatory Division.

Table 12: NCT alignment to the NDP

The National Development Plan	
The Plan	NCT alignment to NDP
An approach to prosperity and equity can be achieved when South Africans:	There's a shared vision to fully commit and contribute to the goals of the NDP through:
Provide for job creation and quality education.	Employment of the Youth through internships, contingent employment of young people, and skills development for the youth.
Fight corruption.	Fair adjudication of cases, sound governance and fraud management.
Build a capable and developmental state.	Public access and provision of redress.
Ensure active Citizenry.	Access remote areas through ICT interventions.
Overall impact service delivery.	Committed to service delivery, constitution, committed staff, proactive thinking driven to succeed in achieving the mandate of the NCT.

Table 13: NCT alignment to MTSF

Alignment to Government's Medium Term Strategic Framework (MTSF)	
MTSF Outcome 4: Decent employment through economic growth	NCT alignment to MTSF Alignment is achieved through:
Sub Outcome Two: The productive sectors account for a growing share of production and employment.	Procure from local service providers and prioritise Black Economic Empowerment (BEE) suppliers for general services.

Alignment to Government's Medium Term Strategic Framework (MTSF)	
Sub Outcome Three: The elimination of unnecessary regulatory burdens and lower price increases for key inputs and wage goods fosters investment and economic growth.	<ul style="list-style-type: none"> Clear communication with stakeholders to ensure that they are aware of amended rules and innovative processes designed to facilitate the ease of filing. Input into Socio-Economic Impact Assessment Systems Committee in relation to regulatory impact. Commissioning of research to contribute to this study. 5-year audit review to be conducted in terms of Section 36(1) of the NCA.
Sub Outcome Four: Workers' education and skills increasingly meet economic needs.	<ul style="list-style-type: none"> Training and development of NCT employees to obtain key skills necessary in the NCT environment. Debt management training and retirement fund preparation training to be compulsory courses for all newly appointed NCT staff members.
Sub Outcome Seven: Reduced workplace conflict and improved collaboration between government, organised business and organised labour.	<ul style="list-style-type: none"> Participation in the Collective Bargaining Forum. Change management programmes. Interactions and engagements with staff. Establishment of an Employee Representative Forum. Create OHS Awareness in the Workplace.
Sub Outcome Eight: Expanded economic opportunities for historically excluded and	<ul style="list-style-type: none"> Employment opportunities for women and historically disadvantaged individuals, through

Alignment to Government's Medium Term Strategic Framework (MTSF)	
vulnerable groups.	<p>the NCT's intern programme and contingent resources pool.</p> <ul style="list-style-type: none"> • Equity targets set at minimum target of 45% female.
Sub Outcome Nine: Public employment schemes provide short-term relief for the unemployed and build community solidarity and agency.	<ul style="list-style-type: none"> • Ad hoc employment opportunities provided through contingent resources pool.

Alignment is achieved with **the dti's** Consumer and Corporate Regulation Division ("CCRD") to whom the NCT relates in respect to its mandate, as one of its key roles, the creation of "**credible institutions for the enforcement and implementation of regulatory instruments**".

The following Table shows the linkage between the objectives of **the dti/CCRD** and the NCT.

Table 14: Linkage between the objectives of the dti/CCRD and the NCT

the dti (CCRD)	Strategic Goals
<ul style="list-style-type: none"> • To create a fair regulatory environment that enables Investment, Trade and Enterprise Development in an equitable and socially responsible manner. • Promote a professional, competitive and customer-focused working environment that ensures effective and efficient service delivery. 	<p>GOAL 1: To effectively and efficiently manage and adjudicate on matters brought to the NCT.</p> <p>GOAL 2: To contribute to efficient, effective and accessible Consumer regulation and adjudication.</p> <p>GOAL 3: To ensure effective and efficient Organisational Management.</p>



PART B: Strategic Objectives and Programme Description

The NCT comprises **two programmes**, which are set out below. The Strategic goals will be achieved through the implementation of these two programmes. Programme 1 contributes to the core function of the NCT, namely to adjudicate on applicable matters as defined in its mandate and Programme 2: Administration which contributes to service, stakeholder engagement, research and the sustained achievement of an administrative environment that supports effective adjudication. Each strategic objective is measurable and has performance indicators with technical indicator descriptors.

14. Programme 1: Adjudication

- a) **Purpose:** Provide the necessary administrative and adjudicative and other related services to ensure that the NCT delivers successfully on its legislative mandate.
- b) **Description of sub-programmes**
 - I. **Case management** – provides services to ensure that all cases are timely prepared, that filing parties and applicants are communicated with and that all pertinent information is recorded and disseminated.
 - II. **Adjudication** – adjudication deals with both substantive and interlocutory applications. It ensures that competent, professional, impartial adjudicators are available to attend to matters, that the procedures followed are fair and that adjudicators' decision making is substantively sound, in accordance with legal precedents and requirements.

15.3 Risk Management and Mitigation

The following key risks that may affect the realisation of the strategic goals contained in this programme have been identified and the appropriate actions to mitigate these risks have been developed.

Key Risks	Description	Action to Mitigate Risk
Inadequate capacity and capability to deliver on NCT mandate – as a result of inadequate number of people / ICT systems	<p>This risk is caused by not having the '<i>right people, with the right competencies in the right place at the right time.</i>'</p> <p>It is believed that sufficient internal and external Tribunal Members have been appointed to adequately cope with the NCT forecasted caseload.</p> <p>ICT systems focused on assisting TMs with the appropriate decision support will be piloted and implemented in 2018.</p>	<ul style="list-style-type: none"> a) An accelerated development programme supported by e-learning will be developed for all new Tribunal Members. This will include competency assessments. b) Coaching and mentoring will be provided to all new Tribunal Members. c) Appointment of sufficient, competent administrative support employees (on a contingent and / or permanent basis) for Tribunal Members to ensure accurate and timely case and records management for effective adjudication. d) Adjudication Decision Support functionality to be introduced to increase efficiency
Lack of Adequate Funding – as a result of cuts in government funding	<p>As indicated earlier, the caseload of the NCT is unpredictable and likely to increase whilst its resources,</p>	<ul style="list-style-type: none"> a) The NCT has innovated its overall operational process with the implementation of Motion Courts for Case Orders and this has assisted greatly in dealing with an increased caseload.

Key Risks	Description	Action to Mitigate Risk
	<p>inclusive of funding, remain finite.</p> <p>Should the NCT fail to forecast accurately, use its limited financial resources wisely or seek additional finances timeously through realistic increases in filing fees it will not have the funds to cover the incremental costs associated with its increased caseload.</p>	<ul style="list-style-type: none"> b) Going forward, alternate dispute resolution, supported by mediation, will be explored as a way of further reducing the NCT's caseload and streamlining the NCT's disputes resolution process. c) The NCT is clearly communicating its funding challenge to its stakeholders. d) The NCT is investigating better ways of more accurately forecasting future caseload, including engagement with Debt Counsellors regarding their 'forward load' of cases. e) The NCT is using its resources wisely and investing heavily in ways of reducing the costs associated with adjudication inclusive of the use of ICT enabled processes and the on-line submission of cases.

15. Programme 2: Administration

- a) **Purpose:** Provide strategic leadership to the Tribunal to ensure the successful implementation of its legislative mandate through flexible, efficient and sustainable resource solutions and supporting services.
- b) **Description of sub-programmes**
 - III. **The Office of the Executive Chairperson** – provides strategic direction and oversight to the operations of the NCT.
 - IV. **The Office of the COO** – provides operational direction and manages the operations of the NCT.
 - V. **Financial Management** – provides support to the NCT with respect to forecasting, budgeting, financial resource allocation, oversight and management.
 - VI. **Corporate Services (CS): Human Resources and Facilities (HR)** – The HR Unit provides support to the NCT to ensure that the right people are available at the right time with the right competencies to ensure that the NCT is able to execute on its mandate, whilst simultaneously ensuring the safety, development and wellness of its employees.
 - VII. **Corporate Services: Communications** – The Communications Unit facilitates greater awareness of the NCT's role, mandate and adjudicative outcomes and ensures that there are regular, structured opportunities for engagement with key stakeholders. This ensures that all internal and external stakeholders are well informed about the mandate and functioning of the NCT, inclusive of the adjudicative decisions that have been made. This allows for the regulatory activities of other stakeholders to be effectively aligned to those of the NCT. A change in approach has encouraged a broader focus on Communications where all senior managers, not just the Executive Chairperson, are encouraged to contribute to the communications process

VIII. **ICT** – provides support to the NCT to ensure that the appropriate technology architecture, electronic communications channels and other associated information resources and services are available to ensure that the NCT is able to operate efficiently and in a secure manner.

16.3 Risk Management and Mitigation

The following key risks that may affect the realisation of the strategic goals contained in this programme have been identified and the appropriate actions to mitigate these risks have been identified.

Key Risks	Description	Action to Mitigate Risk
Inadequate capacity and capability to deliver on NCT mandate – as a result of inadequate people / ICT systems	<p>This risk is caused by not having the '<i>right people, with the right competencies in the right place at the right time.</i>' It is believed that sufficient internal and external Tribunal Members have been appointed to adequately cope with the NCT forecasted caseload.</p> <p>ICT systems focused on assisting TMs with the appropriate decision support will be piloted and implemented in 2018.</p>	<ul style="list-style-type: none"> a) An accelerated development programme supported by e-learning will be developed for all new Tribunal Members. This will include competency assessments. b) Coaching and mentoring will be provided to all new Tribunal Members. c) Appointment of sufficient, competent administrative support employees (on a contingent and / or permanent basis) for Tribunal Members to ensure accurate and timeous case and records management for effective adjudication. d) Adjudication Decision Support functionality to be introduced to increase efficiency
Technology failure – CMS – resulting in NCT not being able to transact / administer / adjudicate on cases	<p>The NCT is highly dependent on its Case Management System to deliver on its caseload requirements within its budgetary constraints.</p>	<ul style="list-style-type: none"> a) CMS will continue to be supplemented by alternate manual systems and processes such as Motion Courts that will enable the NCT to still process larger volumes of non-DRA cases manually. b) Systems support will be provided through an Applications Support Specialist. c) A number of alternate vendors or service providers will be available to ensure that the CMS is up and running at all times. In-house employees will be upskilled to manage the

Key Risks	Description	Action to Mitigate Risk
		systems.
Inadequate user adoption – as a consequence of a lack of programmatic, change enabled approach to the implementation of projects.	A risk exists that without an effective programmatic approach, supported by the appropriate change enablement tools, projects will be poorly planned and executed resulting in a failure to implement within desired time periods or budgetary constraints.	<ul style="list-style-type: none"> a) A programmatic approach to project management has been introduced. b) This is supported by the necessary project management training. c) This is supported by the introduction of appropriate change management and enablement tools and approaches.
NCT inaccessible to people outside of SA's major centres	People outside of SA's major urban centres do not necessarily have easy access to technology or to Debt Counsellors and other professionals who may assist them to obtain relevant redress through the NCT. This means that they may either not know that the NCT exists or may not know what to do to access its services.	<ul style="list-style-type: none"> a) NCT will partner with other community based organisations and institutions (e.g. Thusong Centres) to ensure that there are people who are able to communicate relevant information regarding the NCT. This will be supplemented by videos with soundtracks in indigenous local languages that will be easily accessible through You Tube. b) An engagement campaign will be conducted to ensure increased stakeholder understanding of the NCT and to make them aware of the tools available on-line to increase awareness and understanding of its functioning.

16.4 Financial Plan (expenditure estimates for programme 2)

Programme Name: Administration							
Economic Classification	Actual Expenditure Outcome			Adjusted Appropriation	Medium Term Expenditure Estimate		
	2014 / 2015 R '000	2015 / 2016 R '000	2016 / 2017 R '000	2017 / 2018 R '000	2018 / 2019 R '000	2019 / 2020 R '000	2020 / 2021 R '000
Current payment							
Compensation of employees	12 004	12 826	13 212	15 005	19 249	20 517	21 766
Goods and services etc.	12 088	12 397	13 392	13 949	15 620	16 999	17 495
Payment of Capital Assets							
Building and other fixed structure	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Machinery and equipment	1 708	2 595	1 792	1 022	1 093	1 233	1 303
Other classifications	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

PART C: Links to other strategies & plans

16. Finance Strategic Plan

This Finance Strategic Plan has been informed by the NCT's Strategic Plan for 2018/19 – 2022/23. It has been developed to ensure that the NCT has the financial resources and capabilities to deliver on its core mandate and to be financially sustainable for the period covered by the Medium Term Expenditure Framework (MTEF). It incorporates practical, realistic plans to:

- ensure that the Finance Unit is strategically positioned to provide sound advice and deliver excellence in its functional services as well as its reporting;
- maintain effective governance and controls;
- enhance the reliability and accuracy of its budgeting and forecasting;
- investigate and deliver on alternative ways of containing costs;
- investigate and deliver on ways of delivering increasing value for money through procurement; and
- enhance its accounting and other business systems and processes to deal with the increased workload within the Finance function without requiring additional resources.

The **Finance Unit's Mission** is to optimise financial performance and good governance at the NCT by providing insightful guidance, excellent service and ensuring sound internal financial controls.

The **Finance Unit's Vision** is to be a respected Business Partner that contributes to financial sustainability and the sound reputation of the NCT.

Sound financial management is an imperative in ensuring a sustainable future for the NCT. The **Finance Unit's strategic goals** have been formulated to ensure the effective and efficient use of financial resources:

Goal 1: To provide sound strategic financial advice and guidance.

Goal 2: To optimise the value for money received by the Tribunal from vendors of goods and services.

Goal 3: To enhance the Tribunal's budget model, ensuring more accurate forecasting and budgeting.

Goal 4: To enhance the accounting system thereby ensuring effective and efficient planning, improved management and reporting on the finances of the Tribunal as well as reducing manual interventions required to capture case-related transactions.

Goal 5: To maintain effective and efficient financial processes, systems, controls and policies to manage financial resources and risks.

14.1 Key Finance Initiatives

In reviewing the Finance Unit's achievements during the past financial year, there are a number that stand out:

- The **clean audit** received for 2016/17. This is now the fifth year in a row that the NCT has enjoyed a clean audit with no adverse findings.
- The implementation of a **new budget model** that ensures more accurate forecasting and budgeting.
- The development of a **highly competent**, and professional Finance team.

The reality is that the Finance function within the NCT has developed, evolved and matured over the period since the inception of the NCT. It is now a stable, well operating function with many valuable changes and innovations to its systems, processes and ways of working having been adopted and institutionalised over time.

Some of these changes and innovations have been driven by national government, in particular, National Treasury and the AGSA. These changes and innovations have included cost containment initiatives as well as compliance with regulations pertaining to supply chain management and the National Treasury Central Supplier Database.

Other changes and innovations have, however, been led by the Finance Unit itself and have been more strategic, focusing on ways of ensuring that the NCT has the financial systems, processes and disciplines required to sustain its operations. The biggest challenge and risk experienced by the Finance Unit is the NCT's inability to significantly influence its ever-increasing caseload and the consequential impact that this has on the management of adjudication costs. This has required the adoption of new and innovative ways of forecasting future caseload and financial requirements, as well as ways of practically budgeting and managing costs effectively in a volatile, relatively unpredictable environment.

The ongoing caseload increase has placed significant pressure on the financial resources of the NCT as well as on the employees within the Finance Unit itself, specifically in relation to the manual reconciliation of filing fees to be recognised as income. To effectively mitigate this risk, the Finance unit will increasingly utilise automated data capturing processes within the Case Management System and within its own banking systems.

This will allow for a reduction in the manual interventions required in the capturing and reconciling of financial transactions. This will not only increase efficiency but should also have a considerable impact on the accuracy of data capture.

Two years ago, the **focus for the Finance Unit** was to research and implement a new, more effective and applicable budget model. This work has been completed and a new, more agile and responsive model, based on caseload forecasts has been developed. This was implemented for the first time in the 2016 / 2017 financial year and has been subsequently refined. The nett result of this innovation is that it now takes the Finance function days to produce the annual budget, instead of weeks. It is now also possible to conduct financial modelling exercises where the systemic impacts of potential changes can be visually demonstrated and understood.

The **current focus** of the Finance Unit is on the conversion of the current accounting system to a more advanced accounting system. The new budget model enabled greater effectiveness from a strategic perspective whilst the transition from one accounting system to a more advanced one is about operational efficiency and the provision of more detailed accounting information to refine the budgeting process. This includes reducing manual data capture requirements and ensuring that reporting is automated and completed quicker than before. This will also assist with the timely and efficient compilation of programme costing information and the finalisation of the NCT Annual Report.

There are a number of **operational ‘pressure points’** currently experienced by the Finance function within the NCT. Many of these relate to the way the accounting system integrates and automates its internal sub-component systems.

These include:

- The **Purchase Order Register** and the way it is integrated into the overall accounting system.
- The **Invoice Register** which currently resides outside of the accounting system in an Excel spreadsheet format.

- The administrative challenge of **bank recons**, 80% of which are travel related payments. These recons all require the manual capture of data.
- The **Filing Fee recon** process. The challenges experienced with this sub-system are as a result of inaccurate capturing that has to be completed manually within the cashbook.
- The **allocation of expenses** between adjudication and administration. These expenses are currently split manually requiring an unproductive investment of significant accounting resources.

The proposal to address these issues going forward is to:

- **Transition to a more advanced version of Pastel**, namely Pastel v 17. The most important implication of this transition is that Pastel will need to be set up again with the upfront creation of separate codes for adjudication and administration. The chart of accounts will thereafter be revised to provide for sub-accounts with filters to indicate where expenses need to be allocated.
- **Re-setup VIP Payroll** with an automated interface between the financial and payroll systems.
- **Process invoices through GRV** which will mean that the Invoice Register will no longer be required.
- **Issue Purchase Orders and vouchers** for the component elements of each purchase, especially, travel. In the future, invoices will be matched directly from Pastel and this will ensure a better accrual for travel expenses.
- **Automate bank recons**. Pastel v 17 has a banking module that enables the direct importation of Nedbank bank statements. Filing fee recons will therefore be less complex and the banking integration will ensure an automatic match.
- **Potentially utilise an asset module** to facilitate asset management through a configured bar coding system. This is currently under consideration. This will save time and provide for better control in asset counts.

These changes will have time and efficiency benefits for the Finance unit and will enable a far faster generation of information at year end. There will also be an additional benefit in improved governance ‘peace of mind’ in that it will allow the use of consistent data within one system ensuring – ‘one version of the truth’ as there will be a single point of capture. The migration to the more advanced accounting system will also assist HR with more efficient and effective leave recons and reporting. This is currently one of HR’s most significant challenges.

In migrating to the new accounting system, cognisance must be taken of the fact that the budget model is a ‘living’ process and that will require further customisation to provide for case fluctuations and more refined accounting information going forward.

For the Finance unit to be successful, it requires the active support and commitment of all employees in the NCT. The unit is therefore aware of the need to continuously work with the employees of the NCT to ensure that it fully understands and is able to utilise the internal financial and procurement systems. To this end, it is envisaged that refresher training workshops and coaching will be an ongoing way of life within the NCT.

The ongoing monitoring of the NCT's budget and oversight over spending by the Finance function will be critical in ensuring that the NCT is able to successfully deliver on its mandate. This, together with adherence to sound financial disciplines and savings generated by ongoing increases in efficiency will be essential in ensuring that available funding is optimally utilised. There is a strong indication that the NCT's case numbers will increase by at least 20% to 30% for both non-debt rearrangement matters (Non DRAs) and debt rearrangement matters (DRAs), on a year-on-year basis over the next MTEF period. The Table below provides a projection of case numbers if an increase in the caseload is applied to the actual case numbers of the 2016/17 financial year as follows:

Table 15: Projection of case numbers

Type of cases	Financial Year							
	2013/14	2014/15	2015/16	2016/17	2017/18 f	2018/19 f	2019/20 f	2020/21 f
Debt re-arrangement agreements	5 315	9 142	18 266	22 197	28 856 (30%)	37 513 (30%)	46 891 (25%)	56 269 (20%)
Non-debt re-arrangement matters	71	177	193	476	619 (30%)	805 (30%)	1 006 (25%)	1 207 (20%)
Total number of filings	5 386	9 589	18 459	22 673	29 475	38 318	47 897	57 476

f = forecasted numbers

The benefits of financial discipline, cost-saving initiatives and automation of the filing fees reconciliation processes will be critical in ensuring the optimal utilisation of the NCT's available funds. More effective budgeting and forecasting will also receive attention through the enhancement of the budgeting and costing model as well as accounting practices that more accurately reflect the actual costs for individual types of cases.

Pro-active financial monitoring and effective controls will also be implemented, including an ongoing analysis of projected future costs and expenditure. This will be essential in meeting the challenge of developing accurate forecasting methodologies that will accurately determine future expenditure trends and to consequently communicate any proactive corrective action that may need to be taken.

17. Asset and Liability Management Plan

The NCT as a Schedule 3A Public Entity under the PFMA, is required to operate on the basis of neither budgeting for a surplus nor for a loss. The NCT's biggest asset at any given time is cash and cash equivalents. The annual grant allocation to the NCT gets paid by **the dti** in two instalments. When a grant payment is received, it gets invested in the Corporation for Public Deposits account at the South African Reserve Bank. Funds are then withdrawn on a monthly basis to fund the day to day business operations of the NCT.

Detailed cash forecasts for the following two months are thereafter submitted to the Accounting Authority on a monthly basis as part of management accounts, thereby indicating the short term cash requirements of the NCT. Monies are then transferred to the current account as and when there is a need, according to the approved cash flow forecast. This ensures that the NCT does not carry any excess funds in the current account and that interest income is maximised. Another significant asset class is property, plant and equipment. These assets are entered into a fixed asset register that complies with the requirements of the prescribed Generally Recognised Accounting Practice (GRAP) reporting standards. The asset register is reconciled with the general ledger on a monthly basis and asset counts are done monthly on a spot check basis while a full asset count is conducted twice a year.

Apart from the annual provision for performance bonuses, which is made at the financial year end, the most significant liability item is trade and other payables. These include the amounts due to suppliers of goods and services as well as fees payable to part-time Tribunal members at year-end, where payments are still to be made. The NCT makes payments to suppliers and part-time Tribunal members at least twice a month on the basis of valid and approved invoices or claims. Creditors' accounts are reconciled monthly with the age analysis and the general ledger. The NCT pays all its undisputed invoices received from suppliers within a 30 day period, measured from the date of receipt of the invoice. The NCT has adopted a value for money procurement strategy that is closely managed through the supply chain processes. This ensures that suppliers are only paid for services provided when the NCT is satisfied that it received a value for money service.

18. Digital Strategic Plan

The National Consumer Tribunal has, guided by its Information, Communication & Technology (ICT) Strategy, utilised technological innovation as a way of ensuring ongoing improvements in operational efficiency and has therefore been able to cope with a substantial increase in its workload without a commensurate increase in people and operating costs. The NCT has been on an evolutionary journey, with a focus on implementing new or emerging technologies to enable existing strategies, practices and processes as is evident from the following illustration.

NCT's Digital Evolution

- **Phase 1 – Inward**

- Word processing & administration – personal efficiency
- Automation – Case Management
- System – improved data quality, organisational efficiency
- Electronic templates
- Own server

- **Phase 2 – Outward**

- E-filing – electronic ingestion of data / automated filing – reduced risk, stakeholder responsiveness, accuracy & organisational efficiency
- E-payment via Purse

- **Future**



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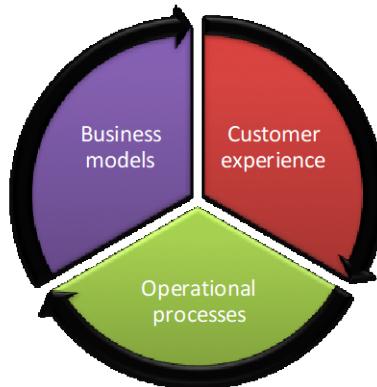
It is clear that the NCT's digital future has much more to offer than merely incremental improvements in productivity or operational efficiency. For this reason, the leadership team of the NCT has developed a **Digital Strategy** to inform its thinking, action and resource investments going forward. Digital strategy is more than simply the technologies that will be acquired and deployed over time. It is more about the abilities and capabilities that these technologies enable and build. It is about ways in which the NCT may transform its business through the selective adoption and implementation of digital enablers. In this way, the NCT's digital strategy is a **digitally informed business strategy** that explores and makes decisions on the utility, and viability of the possibilities that technology offers.

What is “digital strategy / transformation”?

“Use of technology to radically improve performance or reach of enterprises”

‘How can we win using information and technology to raise human performance?’

- > The strategy and transformation process required to inform success
- > SMAC (Social, Mobile, Analytics, Cloud)
- > Industry 4.0
- > Improved use of traditional technologies [i.e. Document / Case Management]



Over the **past four years** the NCT has implemented **Phase 2** of its digital journey. Over this period the pace of systems implementation has accelerated significantly with a focus on the development of an automated transactional systems to digitally enable core business functions and systems, thereby increasing overall efficiency and effectiveness. The key transactional functionality receiving attention has been the ability to digitally receive and process applications from filing parties.

Electronic filing ensures that filing parties ‘capture at source’ and submit filing documentation, together with supporting documents, on-line. This change significantly reduces the administrative load on the NCT and increases overall data capture accuracy, enhancing data integrity. Electronic filing is still at a relatively ‘embryonic’ stage with 93 filing parties currently filing electronically. The value-add externally to a key NCT stakeholder, filing parties (primarily Debt Counsellors), has been the ability to bulk upload filings thereby increasing their own efficiency and driving down their own cost of doing business. As with any systems implementation, there are still a number of teething issues that require attention before it can be said that the e-filing system is operating optimally.

Upwards of **95 000 records** have been captured and stored in the NCT’s database since capturing commenced on 1st April 2015. This provides a rich repository of information to be sorted and mined in order to obtain relevant intelligence. This will be one of the important areas of focus in future phases of the NCT’s digital journey. To date the NCT has increased its efficiency in dealing with DRA (Debt R-arrangement Agreements) processing upwards of 22 000 in 2016, compared to 1 358 in 2010/11 and has significantly reduced its turnaround time. In addition to automating the core e-filing system, the NCT has also developed an **e-purse** programme/system allowing for safe and secure on-line payment of the NCT’s filing fees.

Phase 3 is focused on fully automating the on-line adjudication system. There will be an assertive campaign to encourage the adoption of e-filing and that the submissions by post or e-mail will be discouraged and eventually phased out. Case allocation will occur on-line, with administrators simply endorsing the fact that filings are complete and accurate. Tribunal Members (TMs) will be able to see their allocated cases (with supporting data) and then adjudicate, supported by intelligent automated decision support. Following adjudication, TMs would be able to issue directives on-line. These changes would reduce the need for Motion Courts, improve adjudicative efficiency and substantially increase the overall number of DRAs and non-DRAs that each TM will be able to handle. Going **forward**, there is potential to completely automate the Finance function, inclusive of Supply Chain Management. From an HR perspective, automating Performance Management is currently a priority. In time, other HR / Talent Management processes will be automated including e-learning. E-learning provides the NCT with opportunities to develop knowledge and understanding of the NCTs functions, both internally and externally.

Future phases of the NCT's digital journey will be **transformation focused** and will provide opportunities for digital enablement to transform the NCT's stakeholder experience, improve consumer access and enable the adoption of new business models allowing the NCT to grow and add additional value. An important caveat is that any such fundamental step-change transformation in the NCT will require approval from key policy-making stakeholders (**the dti & other appropriate government departments**) as well as changes to the core NCT mandate and founding legislation.

A number of important principles have informed the development of the **NCT Digital Strategy**:

- NCT will need to stay **abreast of ICT developments** and their implications for the digital economy. This will include **engagement** with other regulators, domestically and globally, as well as participation in conferences that address consumer-related public policy matters.
- The NCT will increasingly need to **work with its broader ‘ecosystem’** to develop integrated, holistic solutions to address consumer related matters. This will require thought leadership and new forms of collaborative engagement that do not prejudice the NCT's independence as an adjudicative body
- NCT will need to **adapt** to these changes and be a confident, pro-active player informing innovation in policy and practice to ensure that consumers are well protected in a digitally enabled world, to access **adjudicative mechanisms** for consumer redress and to resolve disputes, both within SA and across borders.
- NCT will need to be more **active in informing policy formulation** – it will need to identify trends and opportunity / white spaces and communicate these through ongoing engagement with stakeholders to ensure the development of sustainable solutions supported or enabled by these trends. Analytics mining the NCT

database of consumer information will also contribute valuable insights to policy formulation. The NCT will need to pro-actively inform and **influence policy making** in areas such as e-consumer protection, digital security, consumer redress and holistic regulation

- The ‘**legislative lag**’ will mean the NCT will need to be more pro-active to ensure it has the appropriate legal framework in place for appropriate regulation, enforcement and adjudication.
- The ‘ever connected’ consumer will mean that the NCT should be **accessible across multiple devices, apps, channels and platforms**, 24/7. It will need to be **more visible**, reaching out to its stakeholders and consumers across social media, providing transparent access to data, safeguarding the security and confidentiality of data and delivering high quality, responsive service.
- Public **trust** will need to be built through improved access, transparency, high levels of security and integrity, ongoing engagement and the adoption of technologies such as Blockchain that guarantee the credibility / integrity of data.
- There may well be opportunities for the **consolidation** of and integration of regulators to ensure a more holistic approach to consumer regulation in South Africa. It is clear that when compared to other regulators around the world, the South African regulatory system is fragmented resulting in a number of regulators with overlapping roles, duplicated infrastructures and a lack of the scale required to support infrastructure and capability development investments. The NCT will therefore need to consider new business models that may well include consolidation with other regulators and the **expansion of its services** to ensure that it increases its public value add / ROI in line with its core competencies. The ‘Twin Peaks’ legislation impacting the role of the Financial Services Board going forward will have a significant impact on the potential for regulatory consolidation.

Changes in the NCT’s strategic context have also impacted the potential strategic choices ‘**In the Business**.’ The NCT is at an important juncture in its evolution as a world class consumer regulator and adjudicator. The growing awareness by consumers of their rights, the growth in the number of accredited Debt Counsellors, coupled with the adverse economic climate has ensured that the number of matters referred to the NCT, both Debt Relief Agreements (DRAs) and non-DRAs, has **grown** at a fast rate for the last five years. It is anticipated that this pace of increase in the number of matters referred will continue to grow for the foreseeable future.

As a counterpoint to this growth it is clear that the South African fiscus is under serious pressure as a result of poor economic growth, the negative re-rating of SA’s national debt by ratings agencies as well as under-collection of tax by the South African Revenue Service. As a result of these fiscal constraints, it is unlikely that the NCT will continue to receive **increases in its budget** to cover its operating costs, commensurate with the forecasted increase in caseload.

The nexus between a rising caseload and a flat budget signals an assumption that the NCT may have to cut back on its services in order to stay within its budget. The NCT believes that rather than doing so, an investment in digital innovation will allow it to build the capacity to meet the forecasted growth in its caseload whilst at the same time **expanding** its service to consumers, including broadening accessibility and engagement. This perspective is based on the following assumptions;

- **Artificial Intelligence (AI), analytics and automation** will provide improved professional service at decreased costs with increased reliability. It is likely that, within 3 years all DRAs will be automated. Decision support through AI will also increase the number of non-DRA matters adjudicated by each Tribunal Member
- Digital adoption will enable the NCT to **free up capacity** to expand the scope of its services in line with its core purpose, mandate and competencies.

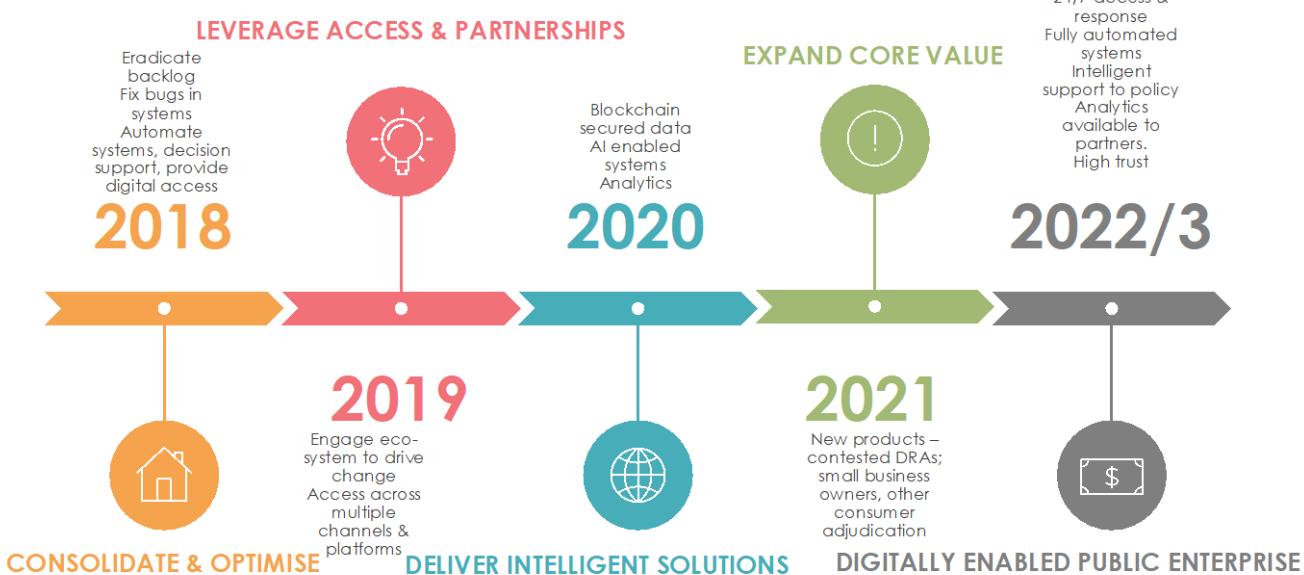
The **NCT's digitally enabled Vision** is to be a highly trusted, digitally enabled public enterprise, easily accessible to the people of South Africa, that intelligently informs policy and adjudicates timeously, reliably and fairly on consumer related matters.

The key **outcomes defining success** in delivering on this Vision include:

- NCT's mandate extended to cover small business owners, contested DRAs and other related e-Consumer matters
- All administrative and adjudicative services fully automated with fail safe security and data integrity ensured through Blockchain
- Filings and real time access to case status across all mobile platforms
- Artificial Intelligence enabled decision support systems to ensure consistent, high quality adjudication
- Large accessible database of information, constantly mined by business analytics to inform sound decision making and policy development
- Monthly reporting on key data and metrics – automatically generated from system
- Data is secure and trusted by all
- Predictive analytics ensures caseload is always balanced against capacity
- Bi-modal communication and engagement with the NCT across multiple platforms and channels 24/7 – website, contact centre, apps and social media
- Consumers in all parts of SA have access through mobile devices or intermediaries – Thusong Centres, Debt Counsellors and small entrepreneurial partners
- Active NCT communities of interest engage around matters of mutual interest relating to Consumer related matters
- NCT's mandate well communicated and understood by all consumers in SA
- Employees are competent with high digital IQ & EQ
- NCT is self-funding and not reliant on the fiscus to deliver on its mandate
- There is a 7 day turnaround time on DRA and a 30 day turnaround time on non-DRAs
- NCT is a global benchmark for a public sector digitally enabled enterprise

The **Strategy Roadmap** for the execution of the Digital Strategy is as follows:

Strategy Roadmap



2017/18 - 2018/19 -- 'Consolidate & Optimise'	2019/20 & 2020/21 – 'Deliver Intelligent Solutions / Introduce new products'
Focus on consolidating and optimising current systems to ensure that they are fully operational.	Focus of this year's work will be on piloting and implementing new forms of consumer access – through physical & digital channels and partnerships.
This will include a focus on eradicating the current backlog by understanding its root causes, removing redundant cases and prioritising adjudication on the oldest cases	<p>Attention will be paid to encouraging the adoption of the e-filing system. It is envisaged that the number of Motion Courts will significantly decrease in 2018 / 19, thereby encouraging e-filing. Decision support will also be implemented, trialled and refined based on feedback.</p> <p>The adoption of Parsing software will be explored to increase the efficiency of both e-filing and decision support.</p>

2017/18 - - 2018/19 -- 'Leverage Access & Partnerships'	2019/20 & 2020/21 – 'Deliver Intelligent Solutions / Introduce new products'
A data warehouse will be specified and implemented	Blockchain will have been introduced as a tool to ensure data security and integrity
Work will start on scoping out and specifying AI, Analytics and other tools for piloting and implementing by 2020/21	Multi-modal access and communication across channels, apps, mobile devices and physical will have been introduced by 2020/21
Work will commence on engaging with policy makers over the potential expansion of the NCT's mandate and the introduction of new value adding products and solutions	
ICT competency profiles for employees and TMs completed	Development plans in line with ICT competencies developed for each person. Recruitment based on new competencies commences.

The Digital Strategy's **goals and objectives**, aligned with NCT strategic goals, are:

NCT Goal	Digital Goal	Digital Objectives
To effectively and efficiently manage and adjudicate on matters brought to the NCT	Eradicate the DRA backlog Deliver a data warehouse equipped with applied business analytics tools Deliver a Customer Interface / Experience (Cx) that is engaging, customer-centric and value-adding	<ul style="list-style-type: none"> ○ Re-engineer all Customer interfaces to improve Cx
	Deliver a fully automated DRA system by 2019 / 20	
	Deliver a fully automated DRA system, optimised by the use of AI and Analytics by 2020 / 21	
	Deliver a full decision support system for non-DRA matters by 2019 / 20	<ul style="list-style-type: none"> - Quick wins - Base system - AI enabled

To contribute to an efficient and effective Consumer regulatory environment	Implement multi-channel, platform and partner enabled access to the NCT for people in all parts of South Africa by end 2020 / 21	- Social media - YouTube - Thusong - Partners
	Develop a consumer regulatory Community of Interest that engages over important issues and informs legislative / practice innovation	- Conference on Consumer Protection in a Digital Age convened
	Challenge conventional thinking about regulation and encourage regulatory convergence where appropriate	
To ensure effective and efficient organisational management	Secure all NCT data and information utilising relevant tools including Blockchain to ensure data integrity and consumer trust	
	Build the internal capacity and skills for digital enablement through competency profiling and the implementation of an ongoing process of learning and development	
	Develop leadership competency in the potential applications of disruptive technology	

18.1. ICT Strategic Plan

The NCT's ICT Strategy is aligned to the Digital Strategy.

The **Mission of ICT** is to provide the advice, collaborative solutions and support required to ensure that the NCT has a secure, stable ICT architecture and the tools it requires to meet its core business needs.

The **Vision of ICT** is to be a respected business partner and information optimiser who enhances access, improves operational efficiency and informs intelligent decision-making at the NCT.

Through ICT, the NCT will:

- Improve **stakeholder access** to the NCT;
- **Increase operational efficiency and productivity**, contributing to significant reductions in expenditure
- **Increase strategic and operational effectiveness**, ensuring consistent approaches to work, intelligent reporting and decision making;
- **Enable collaboration**, learning and the sharing of information; and
- **Enhance the connectedness and integrity** of data, systems, processes and people.

An **ICT capability** is the ability, enabled by ICT, for the NCT to conduct its operations efficiently, effectively and intelligently. Based upon the requirements of the NCT's strategy and the consistent, efficient execution of its core process, it is clear that the following **ICT capabilities** and functionality are mission critical to the NCT:

- An **interface** that provides access and allows for bi-directional communication and engagement with filing parties;
- A **case management system** (CMS) that automates key processes associated with case management, captures information accurately, enables filing parties to file cases on-line – individually or in bulk and allows for the efficient allocation and deployment of resources;
- An **E-Purse** functionality facilitating the electronic payment of filing fees;
- An **adjudication support capability** that enables and supports effective decision making through easy access to relevant data and case information;
- A **records management capability** that allows for information to be securely stored, managed and accessed electronically in accordance with the appropriate standards of governance;
- A **Knowledge Management System** that provides for an intelligent search capability so that Tribunal Members are able to retrieve, on-line, historical judgements made or other relevant items of potential utility in making sound judgements;
- Organisational **performance reporting capability** that streamlines and automates the production of organisational performance reports, including dashboards, that can be linked to individual employee contribution; and
- An information dissemination, communication and **learning capability** that provides for people outside of the NCT to easily access the NCT and for them to be comprehensively informed regarding the mandate and workings of the NCT.

ICT will play the following **roles** at the NCT:

- **Informed choices** made about ICT solutions, in line with the principles that inform the NCT's enterprise architecture framework;
- Competently **project manage** the acquisition and implementation of ICT solutions;
- **Train and support end-users** of ICT solutions thereby maximising the potential for user adoption;
- **Develop the necessary applications** to support efficient working and intelligent decision making;
- **Maintain and configure the NCT's ICT infrastructure** to ensure security and systems uptime and to optimise the return on its ICT investment;
- Ensure **effective risk management and good governance** by engaging with the appropriate structures and abiding by all supply chain and other relevant procurement policies; and
- **Monitor, evaluate, maintain and provide support** to NCT members and employees in respect of the ICT infrastructure inclusive of hardware, software and applications.
- **Provide expertise, support and tools / applications** required to protect and secure access to electronic information processed and stored by the NCT and its people.

The following **ICT Goals** have been adopted by the NCT to focus its ICT activities and investments over the next three years:

1. To ensure that the **NCT's ICT Enterprise Architecture** supports, enables and meets the NCT's business requirements.
2. To ensure **controlled access** for Tribunal Members, employees and other relevant stakeholders to automated business processes, information and services.
3. To **increase the adoption and utilization** of implemented ICT applications, systems and processes.
4. To ensure that all ICT applications, systems and processes are **secure and available** to authorized stakeholders.

ICT is mindful of the fact that all users need to be accommodated within the functionality of the CMS and that the technology changes to existing ways of working need to be understood and adopted in order to deliver the requisite value. It is for this reason that it supports more ongoing engagement and discussion with users, both internal and external as well as the adoption of effective change management practices.

A key challenge going forward will be to support different digital channels of communication to enable access to the NCT by users across the breadth of the country. This will require partnering with SITA and other governmental information ‘hubs’ as well as the development of user-friendly ‘how to’ guides utilising readily available platforms such as smart phone apps and You Tube.

Realism is an important driver of the work of ICT. Going forward, ICT undertakes to ‘under-promise and over-deliver’. This will require sound planning as well as the prioritisation and sequencing of initiatives based on the urgency and impact required. A clear digital strategy and ICT dashboard will be developed to ensure ongoing monitoring, evaluation and course correction.

19. Corporate Services Strategic Plan

Corporate Services (CS) is a newly established functional unit within the National Consumer Tribunal and incorporates the following departments; Secretariat & Compliance, Human Resources and Communications. The traditional objective of Corporate or Shared Services is to collaborate across departments to gain both the synergies of utilising diverse skills and expertise to develop integrated, holistic solutions to business needs as well as to reduce costs through the leveraging of efficiencies in administration, systems and people.

The **ultimate aim** adopting a Corporate / Shared Services delivery model is to allow each Customer-facing division to focus its limited resources on activities that support the achievement of business goals. Technology has often been the driver for shared services within an organization because it can be used to transform manual, repetitive work into digital, automated processes.

Corporate Services' **Mission** is to partner with stakeholders to collaboratively develop and deliver specialist and integrated solutions to the NCT's strategic and operational challenges and opportunities. CS will accelerate and support the creation of a caring and enabling work environment to ensure that the NCT to delivers sustainable success, in line with its mandate and strategy.

The **roles** CS will play include:

- **Problem solver**
 - We facilitate the solving of complex problems and the resolution of internal disputes
 - We champion the delivery of **excellence** in all of our fields through true servant and thought leadership

- **Transactional service provider**
 - We cost-efficiently and effectively deliver relevant support transactional services in our specialist areas and in other areas where we have sufficient economies of scale (Shared Services Centre)
- **Compliance champion**
 - We champion **compliance, good governance and effective risk management** through oversight and a focus on behavioural change
 - We **partner** with our business partners to provide guidance and oversight to ensure that sound governance is balanced with optimal performance
- **People champion**
 - We ensure that the '*right person is in the right place at the right time*' to ensure the NCT's strategic and operational success
- **Visionary**
 - We see the future first, research, join the dots, develop insights and foresight and ultimately ensure that the NCT timeously builds the capabilities it requires to be healthy and future-fit
- **Reputation champion**
 - We champion the delivery of messages that shape the NCT's core reputation
 - We design and implement the appropriate channels of communication
 - We develop the necessary communications content to engage pro-actively with stakeholders to ensure understanding of our key messages
- **Culture-shaper**
 - We shape the NCT's **future culture**, ensuring effective and appropriate behaviour both internally and externally
 - We are the custodian and steward of the **NCT's values and core principles** – honesty, integrity, accountability, responsibility, transparency and accessibility
 - We are champions of **change**, facilitating buy in and commitment to the solutions that will ensure future success
- **Knowledge Management & Business specialist**
 - We identify the necessary knowledge and information that should be captured, stored and intelligently accessed
 - Through effective analytics and reporting, we find the necessary insights regarding the way the NCT operates to inform successful foresight and strategy crafting

Corporate Services' **Vision** is to be the heart and pulse of the NCT, providing the oxygen and nutrients required for the NCT to grow and thrive! The NCT will be a change-resilient and future fit adjudicator with an unparalleled reputation for integrity, service delivery and high performance.

Through the focused efforts of the CS team, the NCT will attract the most talented people who, supported by intelligent, automated systems and processes will deliver reliable, well-respected consumer-related adjudications.

CS' cross-operational and strategic goals are:

1. To deliver efficient and effective transactional services (Operational Goal)
2. To be a true, well respected Business Partner to the NCT's line departments (Operational Goal)
3. To establish and operate an efficient Shared Services Centre
4. To identify and pro-actively partner to provide required solutions to the NCT's challenges and opportunities
5. To partner with stakeholders to develop and implement a transformation and transition plan (including culture) to ensure the NCT is Future-fit
6. To broaden access to the NCT for all citizens
7. To identify and build mission critical future capabilities (Futures, Project Management, Knowledge Management, Analytics)

Unit specific goals

8. To ensure that the NCT has the 'right people in the right place at the right time' to deliver on its strategy and mandate
9. To promote and safeguard the reputation of the NCT
10. To provide the necessary oversight, support and direction to ensure that the NCT exercises sound governance and is compliant with all relevant legislation and policies

19.1. Human Resources Strategic Plan

The NCT is a transforming organisation that embraces the full potential of ICT to enable intelligent, efficient and effective work. The reality however, is that ICT enabled processes still rely on the competence, passion and commitment of people to ensure efficient and effective service delivery. It is for this reason that in order to ensure that the NCT has the '*right people in the right place at the right time*', this expression is a central theme of the overall Human Resources Strategy and Plan.

The **Mission of NCT's Human Resources (HR)** is to provide the advice, collaborative solutions and support required to ensure the NCT has the appropriate people and management systems and practices in place to meet its organisational needs and to fulfil its mandate.

The Vision of NCT's Human Resources is to be a valued Business Partner, contributing to the evolution of a resilient, dynamic and successful NCT, ably supported by fully engaged teams of talented people.

In order to effectively deliver on its HR services amidst the current NCT organisational changes, it was important for the NCT to find a service delivery model that fits its current operational needs, that is appropriate for its flexible structure and various goals that it has set. The NCT HR Unit has thus critically assessed its service delivery against the **Dr Sullivan Five Levels of HR** contribution model, as illustrated below.

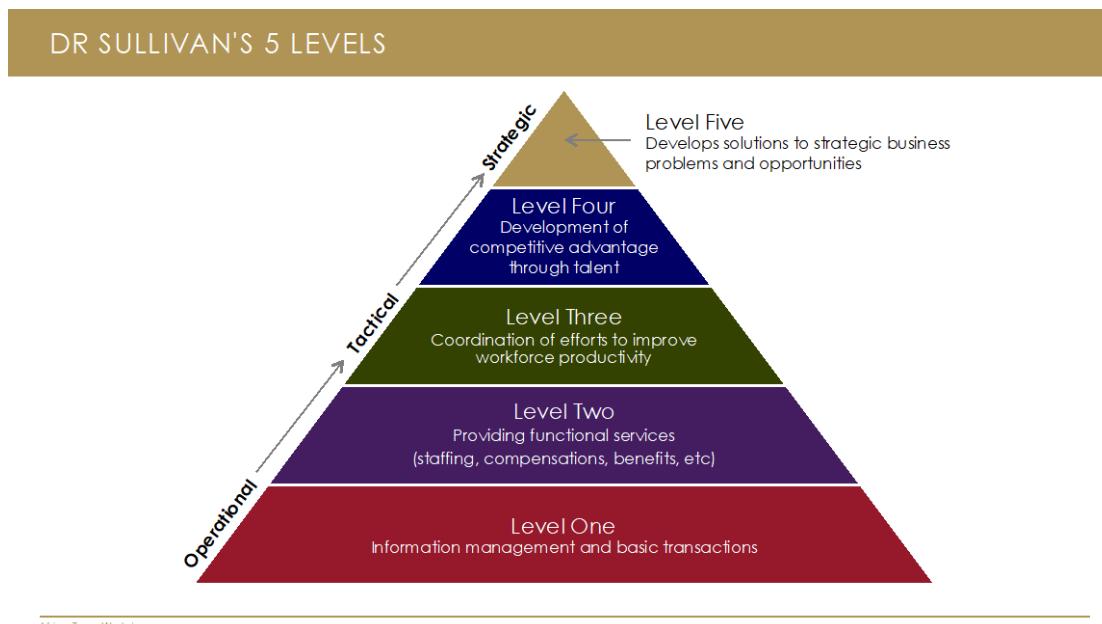


Figure 6: Sullivan's Five Levels

In accordance with the ‘gaps’ illustrated by its service delivery assessment, the Human Resources Unit has adopted **5 key Strategic Goals** with supporting objectives to focus its work over the coming 5-year period.

1. To attract, develop and retain the right people to ensure the right skills are available in the right place at the right time to deliver on the NCT’s mandate. **(Level 2)**

What is required to achieve this goal?

- Data is accurate, timely and complete – in terms of physical and electronic records (includes leave records, performance management data and job descriptions).

- A clear process of workforce planning and strategic sourcing to proactively deliver on the NCT's human capital requirements.
 - A programme to up-skill the ICT competencies and skills of all NCT employees and tribunal members and to ensure their continuous professional development.
 - An on-board and induction programme.
 - The effective management of performance through continuous assessment, a sense of accountability for results, coaching and development as well as proactive analysis of identified performance trends.
 - A programme of personal competency development in alignment with the NCT's competency framework and access to structured learning.
 - A non-monetary rewards and recognition programme to recognise achievement and enhance retention.
2. To develop an enabling framework and working environment that optimises the potential for employee engagement and wellness. (**Level 4**)
What is required to achieve this goal?
- A change management framework and approach with the accompanying tools and methodologies to accelerate and sustain user adoption and enable desired change.
 - Effective internal communications, engage in targeted wellness awareness programmes aligned to the NCT values, as well as increase levels of employee engagement, productivity and enhanced work / life balance.
3. To anticipate future business and environmental demands on the NCT and to provide Human Resource capacity to satisfy those demands and fulfil the NCT's mandate. (**Level 3**)
What is required to achieve this goal?
- Effective and proactive workforce planning through the development of an overall resourcing plan required for the NCT to fulfil its mandate and achieve sustainable business continuity.
 - Clarity on the skills and roles needed to help fulfil the NCT's mandate.
 - The continuous maintenance and evaluation of Job Descriptions and Role Profiles.
4. To shape a values-based culture that champions high performance and service excellence. (**Level 5**)
What is required to achieve this goal?

- Ongoing measurement and evaluation of the extent to which managers and employees are living out the NCT values.
 - The development of a comprehensive blue-print of what the future NCT culture should look like.
 - The identification of the leadership competencies required to shape the future NCT culture and a plan to develop these competencies over time.
 - The establishment and implementation of objective management assessment tools, ensure that the NCT management cadre positively impacts its workforce.
5. To establish effective and efficient HR Administration to facilitate and inform accurate HR data and reporting. (**Level 1**)
What is required to achieve this goal?
- A comprehensive, accurate and up to date HR Database as well as physical and electronic HR Records.
 - Comprehensive HR Reporting to enhance business decision making.
 - Well communicated HR Policies and supporting Standard Operating Procedures.
 - An on-line Performance Management and Employee Self-Service System (ESS)
 - A comprehensive approach to talent management supported by the necessary systems, processes and VIP modules (competency development, career development & succession planning).
 - Line managers who are competent in implementing talent management processes and systems effectively.

Going forward, HR will continue to build on these achievements and work to improve the overall quality of the NCT's people and human capital management practices as well as the quality of the NCT working environment. This will contribute directly to building an enabling environment for sustained high performance.

The following areas will receive **priority focus** over the course of this APP:

- **Structured processes of on boarding and learning**, inclusive of Tribunal Member capacity building, coaching, training and mentoring.
- The introduction of **learning programmes**, supported by e-learning tools.

- **Workforce planning and strategic sourcing** to ensure that the NCT is able to pro-actively anticipate the demand and supply requirements for its people and to be able to respond pro-actively to ensure that the '*right people are in place at the right time.*'
- **Improved talent attraction and recruitment processes** inclusive of developing the NCT's employer brand, making the NCT an Employer of Choice and adopting an innovative, improved talent attraction and recruitment strategy.
- **Administrative excellence** inclusive of HR records management, updating policies and procedures and improving the overall integrity of information in the HR database.
- **Technology enablement** for key HR systems, processes and practices. This includes the profiling of key skills and competencies required by employees for success in a digital world.
- Refinement of the **performance management system** to ensure that it is less administration / information intense and delivers an improved user experience.
- **Change enablement** in support of capacitating the adoption of ICT systems, Motion Courts and other innovative approaches to work.
- Targeted **organisational development interventions** in support of building trust between and amongst people at the NCT, ethical behaviour, culture shaping and team building. This will include a refinement of current NCT values and a process of re-engagement around the values.
- **Improved internal communication** inclusive of the development of a year plan focused on segmented internal audiences and an internal handbook to guide such communications.
- The establishment of **safe internal structures** for collective engagement and the building of sound and productive workplace relationships.
- Targeted **Organisation Design initiatives** to ensure **clarity regarding roles, responsibilities and decision rights** – both in administration and adjudication.
- More efficient and effective HR **procurement**.

19.2. Communications Strategic Plan

For the NCT, the outcomes to be gained from effective communications are not just sound communications but substantive increases in **trust** and improvements in the NCT's **reputation** amongst key stakeholders. Communication is a part of all of the work of the NCT and as such the key question to be answered is not necessarily only how the work of Communications may best be aligned behind the NCT strategy

but also ‘How does the NCT strategy adapt and evolve to deliver a desired reputation?’

Shaping reputation is a transformational issue. It talks to how the NCT needs to change its processes, procedures and mind-sets over time. In doing so, it needs to become more proactive, agile and responsive. In today’s fast paced world, there is no allowance for delays and layers of management to get sign off on Communications when responding to a crisis, disaster or issue in social media.

External communication and engagement are important components of the NCT’s strategy. The role of external communications is to ensure that all important external stakeholders are aware of how the NCT works so that they are able to access its services in the appropriate manner and to ensure that the right matters are referred to the appropriate regulatory structures and mechanisms at the right time. In so doing, the work of the NCT is to positively influence the overall consumer regulatory environment ensuring efficient, respectful service and administrative justice for all parties.

External communication is also important to ensure that:

- The NCT and its mandate are well understood by stakeholders, its cases are widely disseminated and its services accessed by all relevant people who require such access.
- There is regular information sharing and ongoing engagement between members of the consumer regulatory community to ensure that their work, functions and thinking are well aligned.

The Vision of Communications is for the NCT to be respected as an impartial, professional and effective adjudicator on consumer goods, services and credit issues in South Africa.

The Mission of Communications is to enhance the reputation of the NCT in the consumer regulatory environment through effective communication, easy access to information and ongoing engagement with stakeholders.

The **Goals** of Communication are:

1. To ensure **cooperation and partnership amongst stakeholders** through enhanced interaction and engagement.
2. To ensure that **accurate information** about the roles, processes and decisions of the Tribunal is readily accessible to all stakeholders.

3. To **enhance the reputation** of the NCT as an impartial, consistent and fair adjudicator in Consumer and credit matters.
4. To **ensure easy access** to accurate information about the Tribunal and its operations.

Stakeholder engagement is one of the most important aspects of the NCT's approach to communications. It intends to conduct regular structured engagements with its key stakeholders – **the dti**, NCR, NCC, debt counsellors, tertiary educational institutions, partners in government, consumers and businesses as well as other adjudicative entities such as the provincial consumer offices and courts.

These engagements will focus on better understanding their needs and expectations as well as ensuring that the regulatory system and its players are well informed and aligned at the appropriate level within the regulatory system.

A structured process of engagement and research will be undertaken to better understand the perceptions, needs and expectations of stakeholders. It will also assist with the development of the appropriate mechanisms, channels, platforms and content to respond effectively to these evolving and disparate needs and expectations. The research will include stakeholder profiling and the establishment of a baseline against which the evolution of the NCT's reputation will be measured.

Over the **period of this Strategic Plan**, the NCT will:

- Continue to update and improve the bi-directional functionality of its website and supporting social media channels.
- Embrace ICT enabled solutions through the appropriate digital and social media platforms to drive traffic to the NCT website.
- Explore partnerships with other government agencies to ensure that information regarding the NCT is readily accessible at a community level.
- Develop a multi-tier approach to media engagement and responses.
- Develop a more structured approach to Communications inclusive of a formal year plan with segmented and defined messaging.
- Ensure consistency of 'look and feel' across NCT information channels and ICT systems.

20. Strategic Risk Management Plan

The Tribunal assesses and mitigates both strategic and operational risk on an ongoing basis. The Risk Management Framework and Strategic Risk Management

Plan are the key documents developed to focus the necessary mitigation and remedial action.

Once identified, each risk is assessed on how it might affect the achievement of the NCT's strategic goals and objectives. Each risk is rated according to a robust framework, which centres around a dual impact versus probability matrix, control percentage quantification, and mitigation plans. The resultant risk response strategy that arises from this exercise articulates the necessary action plans that will ensure these risks are addressed and thus minimised. Timeframes are stated for each action plan. All levels of employees are encouraged to continuously identify risks in the organisation and bring these to the attention of relevant managers for further discussion at Executive Committee meetings.

Internal audit plans are also aligned to the identified risks and the extent to which the internal control environment is effective is closely monitored and evaluated. The Risk Register is monitored and updated on a quarterly basis and progress is tabled at the Audit and Risk Committee meetings. The strategic risks currently facing the NCT are detailed below. These will be managed on an on-going basis until such time that they have been adequately addressed. The most recent re-assessment of strategic risks was undertaken on 30th July 2017. An open workshop with all employees was held to discuss both the NCT strategy and to determine potential risks to its successful execution.

20.1. Quantitative Assessment of Strategic Risks

Risk Ref . No.	Risk Description	Focus Areas	Impact	Likelihood	Inherent Risk	Control Effectiveness	Residual Risk	Risk exposure priority	Controls	Actions
SR1	Extreme fluctuations in NCT caseload - beyond the NCT's control and capacity	Linked to multiple/ all operational objectives	5	4	20	80%	4	2	- Ad hoc staff - Constant interactions with ICT - Constant revisions of process - Tracking of Efficiencies Projects	- Look at scalability of systems - Follow up on legislative amendments - Establish pool of legal professions - Submissions to the dti on appointment of additional tribunal members - Implement forecasting based on historical information - Increase levels of automation and systems intelligence
SR 2	Sub-standard judgements due to either substantive or procedural errors - reflect negatively on the reputation of the NCT		4	4	16	90%	1.6	3	-	-
SR3	NCT inaccessible to people outside of SA's major centres – as a result of ignorance / partner not being able to communicate role of NCT	Linked to multiple/ all operational objectives	3	5	12	65%	4.2	2	- Interventions around training, research, interactions, support Performance Management of Tribunal Members and staff	- Legal updates - Capacity sessions - Annual compliance universe review

Risk Ref . No.	Risk Description	Focus Areas	Impact	Likelihood	Inherent Risk	Control Effectiveness	Residual Risk	Risk exposure priority	Controls	Actions
SR4	Inadequate capacity and capability to deliver on NCT mandate – as a result of inadequate people / ICT systems	Linked to multiple all operational objectives	3	3	9	80%	1.8	3	- Utilisation of ad-hoc staff - Enrolment for studies - Succession planning in place - Utilisation of students and interns as feed for permanent staff	- Have agreements with law firms - Implementation of PDP's - Generic training to be provided to staff - Implementation of coaching and mentoring - Increase levels of systems intelligence
SR5	Lack of adequate funding – as a result of cuts in government funding	S3 Sound organisational management	4	3	12	80%	2.4	3	- Monthly monitoring of spending, budgets and costs - Submissions to the dti, Internal audit reports - Budgeting and forecasting exercise	- Consider Efficiencies Projects as a preventative measure - Determine cost recovery initiatives - Explore possibilities of revenue generation - Explore funding initiatives - Implement outcomes from economic modelling - Motivate funding in line with economic modelling exercise - Complete cost allocation review - Complete utility usage optimisation review - Implement environmentally friendly practices
SR6	Technology - DSS / CMS failure resulting in NCT not being able to transact / administer / adjudicate on cases	Linked to all operational objectives	4	4	16	80%	3.2	3	- Underpinning technology is industry standard	- Utilise industry standard technology - Ensure multiple potential service providers - Appoint support specialist
SR7	Data theft / integrity / failure of NCT ICT systems - as a result of malware / ransomware / external intrusion		4	4	16	65%	5.6	2	-	-

Risk Ref . No.	Risk Description	Focus Areas	Impact	Likelihood	Inherent Risk	Control Effectiveness	Residual Risk	Risk exposure priority	Controls	Actions
SR8	Inadequate user adoption – as a consequence of a lack of a programmatic change enabled approach to the implementation of projects	Linked to all operational objectives	3	4	12	80%	2.4	3	- Develop operational standard & discipline	<ul style="list-style-type: none"> - Consistent application of programme & project management disciplines - Training in programme & project management - Change enablement support, tools and disciplines to be applied
SR9	Non-compliance with relevant legislation or regulations – as a result of failing to identify / action required compliance		3	3	9	65%	3.15	3	-	

21. Black Economic Empowerment Plan

The goals and objectives set by **the dti** for compliance with black economic empowerment legislation is of paramount importance to the NCT. It has obtained a verified B-BBEE scorecard and currently enjoys a Level 8 rating. The various required reports against the specified dimensions will be made to the B-BBEE Commission in terms of the relevant legislative requirements.

22. Fraud Prevention Plan

There are **10 primary guiding principles** or tenets that underpin the NCT's Anti-Fraud and Corruption Policy. These principles are:

Principle 1: Zero-Tolerance

The Tribunal is committed to upholding the aim of being an ethical and transparent organisation. Consequently, it is the policy of the Tribunal that the embodiment of any unethical behaviour, whether as fraud, corruption, theft, maladministration or any other dishonest activities that would call the integrity of the organisation into question, will not be tolerated.

Principle 2: Accountability

It is the responsibility of Tribunal leadership and business unit heads to guarantee that the control environment is adequate and effective to avert or detect incidents of fraud. All Tribunal members and staff are to be held accountable for the prevention and detection of fraud, corruption, theft, maladministration or any activities of a similar nature, within their areas of responsibility.

Principle 3: Duty to implement effective anti-fraud controls

Suitable prevention and detection controls will be applied within the Tribunal. These include those controls and checking mechanisms as prescribed in existing policies, procedures and other relevant prescripts according to the systems of internal control that govern the Tribunal's activities.

With regard to all reported incidents of fraud, business unit heads/managers are obligated to immediately review, and where possible, improve the efficacy of the controls which have been breached, so that similar irregularities are prevented from taking place in future.

Principle 4: Duty to report and reporting mechanisms

The Tribunal encourages staff members, stakeholders and members of the public who suspect fraudulent activity, and wish to report it anonymously, to call the dedicated whistleblowing hotline on 0800 15 25 38. All calls to the Tribunal's hotline will be treated confidentially and the identity of persons lodging such reports ("whistle-blowers") will be protected.

Principle 5: Duty to protect whistle-blowers

The Tribunal acknowledges and abides by the Protected Disclosures Act and other similar legislation that seeks to protect whistle-blowers. Consequently, the Tribunal is bound to protect all persons that report incidents of fraud from possible discrimination and reprisal in the workplace.

Principle 6: Reporting to police and other relevant authorities

The Tribunal will report fraud and/or related misconduct, where applicable, to the South African Police Services or other relevant policing authorities. Appropriate legal recourse to recover losses or damages arising from fraud and corruption will be taken without undue delay.

Principle 7: Mandate to investigate fraud

All incidences of fraud and corruption will be investigated and followed up by the application of all remedial actions available within the ambit of the law. The Chairperson of the Audit & Risk Committee of the Tribunal and/or the Tribunal Chairperson is mandated to ensure that investigations are facilitated and managed appropriately.

Internal employees, service providers, and stakeholders will be expected to co-operate fully during any investigation. Acts of non-cooperation by employees will be addressed in line with the Tribunal's disciplinary procedures.

Principle 8: Instituting disciplinary proceedings

The Tribunal will ensure that disciplinary proceedings and other available remedies are exercised with minimal delay. Where an official is alleged to have committed an act of fraud, corruption, theft, or mal-administration, the respective line supervisor/manager must initiate disciplinary proceedings immediately, in line with the disciplinary procedures of the Tribunal.

Principle 9: Training and Awareness

Fraud awareness and specific anti-fraud and anti-corruption training will be undertaken regularly to increase and uphold vigilance within the Tribunal.

Principle 10: Fraud Risk Assessment

The Tribunal will ensure that fraud risk is assessed regularly by the organisation and its business units. In addition, care should be taken to consider the relevant potential fraud risks that could arise during the design and implementation of new systems and processes.

The **most significant fraud-related risks** identified by employees at the Fraud Prevention Workshop held on 1st August 2017 are set out below. All of these potential fraud risks will be incorporated into the NCT Risk Register. The potential fraud risks are reflected as Red – High Risk (Probability / Impact); Orange - Medium Risk, Green - Low Risk.

Area	Potential Fraud	Level of concern
ICT / Registry	Systems security (CMS) & vulnerability to intrusion – altering or stealing data or inserting malware or ransomware	Red
ICT / Registry	Diverting payment of filing fees through changing bank account details	Yellow
ICT / Registry	Identity theft – access to consumers ID documents, salary advices, bank account details – potential individual ID theft or sale of all data to 3 rd parties	Red
ICT / Registry	Changing details in system or impacting case processes – external or internal threat – changing data, postponing cases, creating default judgements	Yellow
Adjudication	Bribery – bribing Tribunal Members to go in a particular direction with a decision	Yellow
Adjudication	Creating fraudulent consent orders – by forging signatures at Motion Court sessions	Green
Adjudication	Fraudulent claims by Tribunal Members for preparation	Red
Adjudication / Registry	Non-DRA judgements in Word could be manipulated and changed (e.g. changing the admin fee)	Yellow
Adjudication	TMs colluding or involving additional TMs in discussing potential adjudicative findings	Orange
NCT	Gifts or sponsorships not disclosed	Green
Procurement / Finance	Bid rigging - disclosing tender details to favour a supplier	Orange
Procurement / Finance	Diverting tenders or bids to friends, family or associates	Orange

Area	Potential Fraud	Level of concern
Procurement / Finance	Accepting sub-standard bids where the supplier cannot deliver the quality required	
Finance	EFT payments made, reversed as incorrect, transaction already cancelled	
Finance	Abusing petty cash	
Procurement / Finance	Taking a % to ensure that a supplier is paid quickly	
Finance	Fraudulent travel claims	
NCT	Working from home but not actually working	
NCT	Collusion around payment of invoices for hotels	
NCT / HR	Leaking of confidential employment or salary information	
NCT / HR	Misrepresenting experience, qualifications or competencies during employment	
NCT / HR	Misrepresenting abilities to secure promotion	
NCT / HR	Abuse of sick leave	
	Favouritism or protection of subordinates by managers	
	Sexual harassment or blackmail	
	Deliberate capture of incorrect Performance Management information	

The following **actions** have been agreed upon to address or mitigate these fraud-related risks:

- Educate Tribunal Members about what is expected or required so that they do not inadvertently or through ignorance act fraudulently
- Screen claims more thoroughly
- Create awareness of what fraudulent activity to look out for
- Zero tolerance for fraud - ensure that there is appropriate consequence – in criminal cases be an active participant encouraging and assisting in prosecution
- Explain the Protection of Personal Information Act and ensure that the consequences of breaching are spelt out in employment contracts (MISS)
- Maintain gift policy requiring full disclosure of all gifts – encourage disclosure of gifts by employees and Tribunal Members when in doubt
- Induct all employees in the necessary procurement and other related policies, procedures and controls
- Ensure that Tribunal Members are aware that they cannot ‘invite a 4th member’ for non-DRAs matters (Ethical issue)

The NCT recognizes that fraud prevention is enhanced by the development of a culture that supports fraud detection and its minimization.

The following **actions** have been agreed upon to commence the process of shaping such a culture:

- Build a **culture** based upon a commitment to sound ethics and values
- **Train** all NCT people in ethics and values
- Have an '**Ethics Moment**' during management meetings
- Put in place an **operational Social and Ethics Committee** – Who? What? When?
- Put in place a **Code of Ethics** to supplement code of conduct
- Create awareness of '**Blind Spots**'
- Encourage and recognize **whistleblowing**
- Share **information around fraud** to increase awareness
- **Develop skills** to evaluate difficult, potentially ethically sensitive decisions – Koestenbaum Diamond
- Conduct an **ethics survey / barometer**



Strategic Plan 2018/19 – 2022/23
National Consumer Tribunal
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Annexure A: Materiality and Significance Framework

1. Definitions

Accounting Authority: The Chairperson of the National Consumer Tribunal.

Executive Authority: The Minister of Trade and Industry, *the dti* (Department of Trade and Industry).

PFMA: The Public Finance Management Act (Act 1 of 1999, as amended from time to time) (“the Act”).

Treasury Regulations: The Treasury Regulations in terms of Section 76 of the Public Finance Management Act, 1999, as amended and as published in Government Gazette No 23463 dated 25th May 2002 and amended from time to time.

2. Introduction

For purposes of determining materiality (sections 50(1), 55(2) and 66(1) of the Act) and significance (section 54(2) of the Act) the Accounting Authority must develop and agree on a framework of acceptable levels of materiality and significance with the relevant Executive Authority in consultation with the external auditors.

3. Framework

PFMA Section	Quantitative (Amount)	Qualitative (Nature)
S50: Fiduciary duties of Accounting Authorities (Section 50 of the Act)		
(1) The Accounting Authority for a public entity must:	Materiality figure for year ending 31 March 2018 is 0,6% of budgeted expenditure or R395 914,00	
(a) on request, disclose to the Executive Authority responsible for that public entity or the legislature to which the public entity is	Any fact discovered of which the amount exceeds the planning materiality figure as calculated. (Listed above).	Any time or event of which specific disclosure is required by law. Any fact discovered of which

PFMA Section	Quantitative (Amount)	Qualitative (Nature)
accountable, all material facts, including those reasonably discoverable, which in any way may influence the decisions or actions of the Executive Authority or that legislature;		its omission or misstatement, in the Tribunal's opinion, could influence the decisions or actions of the Executive Authority or legislature.
S55: Annual report and financial statements (PFMA Section 55)		
(2)The annual report and financial statements referred to in subsection (1) (d) must:		
<ul style="list-style-type: none"> (a) fairly present the state of affairs of the public entity, its business, its financial results, its performance against predetermined objectives and its financial position as at the end of the financial year concerned; 	<p>Please note that this is presented as part of the annual report.</p>	<p>Please note that this is presented as part of the annual report.</p>
<ul style="list-style-type: none"> (b) Include particulars of: - <ul style="list-style-type: none"> (i) any material losses through criminal conduct and any irregular expenditure and fruitless and wasteful expenditure that occurred during the financial year; (ii) any criminal or disciplinary steps taken as a consequence of such losses or irregular expenditure or fruitless and wasteful 	<ol style="list-style-type: none"> 1. Losses through criminal conduct / any loss identified. 2. Losses through irregular/fruitless/wasteful expenditure. 	<p>Any identified loss through criminal conduct.</p>

PFMA Section	Quantitative (Amount)	Qualitative (Nature)
expenditure; (iii) any losses recovered or written off; (iv) any financial assistance received from the state and commitments made by the state on its behalf; and (v) any other matters that may be prescribed.		
S66: Restrictions on borrowing, guarantees and other commitments (PFMA) Section 66		
(1) An Institution to which this Act applies may not borrow money or issue a guarantee, indemnity or security or enter into any other transaction that binds or may bind that Institution or Revenue Fund to any future financial commitment, unless such borrowing, guarantee, indemnity, security or other transaction: -	Not applicable.	Not applicable.
a. Is authorised by this Act ; b. in the case of public entities is also authorised by other legislation not in conflict with this Act; c. and in the case of loans by a province or a provincial government business enterprise under the ownership and control of a provincial executive, is within the	Not applicable. Not applicable. Not applicable.	Not applicable. Not applicable. Not applicable.

PFMA Section	Quantitative (Amount)	Qualitative (Nature)
limits as set in terms of the Borrowing Powers of Provincial Government Act, 1996 (Act no 48 of 1996). (The Credit Act No 35 of 2005 does not give the Tribunal the mandate to enter into these transactions).		
S54: Information to be submitted by accounting authorities for the following significant transactions (PFMA Section 54)		
<p>2. Before a public entity concludes any of the following transactions, the Accounting Authority for the public entity must promptly, and in writing, inform the relevant treasury of the transaction and submit relevant particulars of the transaction to its Executive Authority for approval of the transaction: -</p> <ul style="list-style-type: none"> (a) participation in a significant partnership, trust, unincorporated joint venture or similar arrangement; (b) Acquisition or disposal of a significant shareholding in a company; (c) Acquisition or disposal of a significant asset; 	<p>Not applicable.</p> <p>Not applicable.</p> <p>Not applicable.</p>	<p>Not applicable.</p> <p>Not applicable.</p> <p>Any asset that would increase or decrease the overall operational functions of the Tribunal, outside of the approved strategic plan and budget.</p>

PFMA Section	Quantitative (Amount)	Qualitative (Nature)
(d) Commencement or cessation of a significant business activity.	Not applicable.	Not applicable.



Contact details

Postal Address:

Private Bag X110
Centurion
0046

Physical Address:

Ground Floor, Block B
Lakefield Office Park
272 West Avenue
c/o West and Lenchen North
Centurion

Telephone: 012 683 8140/ 012 742 9900

Email: Registry@thenct.org.za

Fax: 012 663 5693