QUARTER 3
November 2023

Contents

SACRRA NEWS
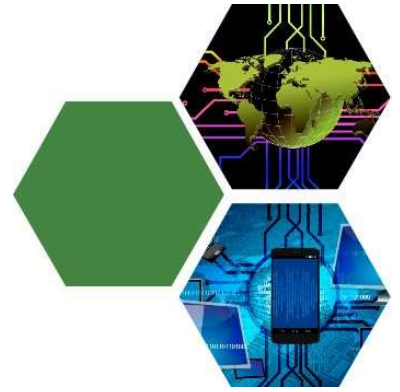
From the ED's Desk

This time last year I had never heard of SACRRA. Fast forward to the end of my second quarter as ED, and I doubt you will find a more passionate advocate for the work we do. Coming into this role cold necessitated a deep dive into 'the why' of SACRRA's existence and the value it adds not just to the credit and risk sector but to the wider data ecosystem. With that in mind, the team and I worked on a strategic road map designed to allow SACRRA to thrive in an increasingly uncertain environment by introducing new initiatives aimed at transforming our data sharing ecosystem and improve our value proposition to members and stakeholders. I was therefore particularly gratified by the support for the 2023-2025 strategy which I presented at the General Member Meeting in October. I am also very grateful to the Governing Body members for making themselves available for re-election or election and I look forward to working with you over the next three years as we roll out the strategic plan.

I am also happy to report that the Memorandum of Agreement (MOA) between ourselves, the CBA and the NCR was extended to December 2023 to allow the parties to finalise negotiations on some key aspects that regulate the tripartite relationship. At the time of writing this newsletter

many of the issues were resolved and I am confident that the MOA will be signed before the end of the year.

A key component of the 2023-2025 strategy rests on us putting our house in order. Without operational excellence, our plans have little hope of success, which is why we have spent a lot of time listening to members, tackling the glitches, and devising better ways to deliver on our mandate. Based on the responses to our customer satisfaction surveys and your verbal feedback, I am satisfied that we are making good progress.

A key success factor for adding value to our members is to ensure that we have the requisite skills to execute our mandate. Last quarter we onboarded the Data Specialist, Tebogo Mokgonyana, who has made great progress in advancing long outstanding issues like updating the Data Specification Matrix (DSM) and On Sold Debt.

The DSM is a web-based application that will consolidate the current paper-based L700V2 specification and related addendums into one centralised environment, thereby aligning validation rule definitions between SACRRA, credit bureaus and data contributors. For data contributors, the simplified validation rule definitions will reduce development time and allow them to filter the information according to their specific industry requirements. It will also reduce the number of Quality Exception reports currently being generated and reduce the current gaps between test and live results. All this with the added advantage of maintaining proper version control in a secure environment.

Our drive to improve our IT capacity continued this quarter, and it gives me great pleasure to welcome Musa Mphana who joined us on 1 December as User Support and System Administrator. Musa has a solid understanding of business networks, including server installation, configuration, and network, as well as desktop hardware and software support and purchasing. He has over seven years of experience in Help Desk / Desktop Support and Systems support, including analysing, designing, installing, maintaining, and repairing hardware, software, peripherals, and networks. I do not doubt that you will enjoy working with him as much as we do. Several new team members are also set to join us early next year to replace Stakeholder Manager Team Leader, Mpule Senong and Stakeholder Manager, Damien Dube.

To our valued members and stakeholders, we wish you a safe, peaceful and hassle-free holiday period. Our office may be closed for the Christmas break, but our team is on hand to support you.

**Magauta Mphahlele**

Dates / Notices

Office Closure: The SACRRA office will close for the holidays on 18 December 2023, and reopen on Monday, 8 January 2024. Staff will, however, be available to assist members and deal with urgent matters over the festive season. Please get in touch with us at sacrra@sacrra.org.za.

The **Annual Membership Fee invoices** will be issued in early January 2024, and we remind data contributing members to please submit their latest Annual Turnover information to ensure correct category billing. Affiliate members are also reminded to reconfirm their appointments if they have not already done so. Your contributions enable us to deliver on our mandate and we appreciate your ongoing support.

SACRRA Support Station (SSS) Performance Metrics

In Q3, we noted a 6% quarter-on-quarter decline in the volume of tickets submitted by our members.

Last quarter's concerted push to catch up on the backlog of overdue tickets has put us on an even keel with respect to the timely resolution of tickets going forward. This quarter, 816 tickets were created and 814 were resolved, leaving 324 tickets unresolved, reflecting the tail end of the backlog.

Ticket Volumes Dashboard - 2023
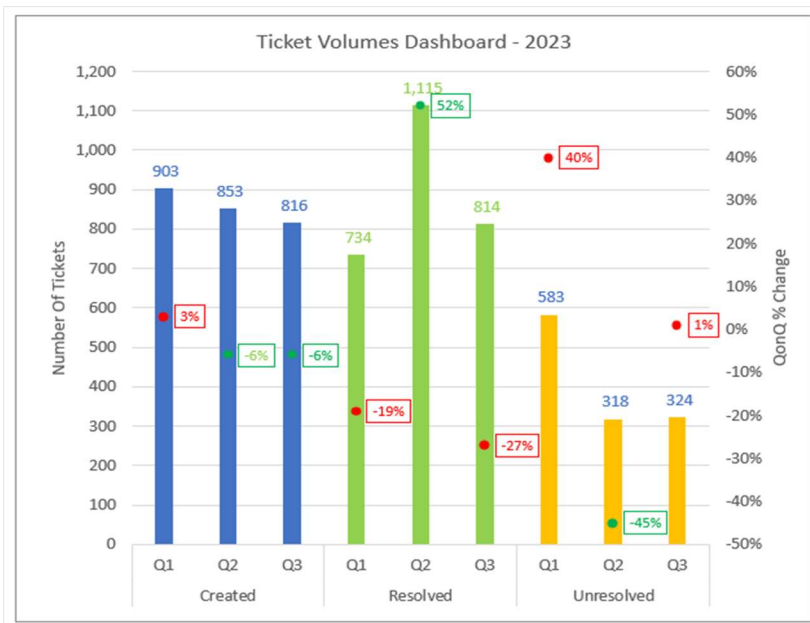
SSS Average Response Time by Type
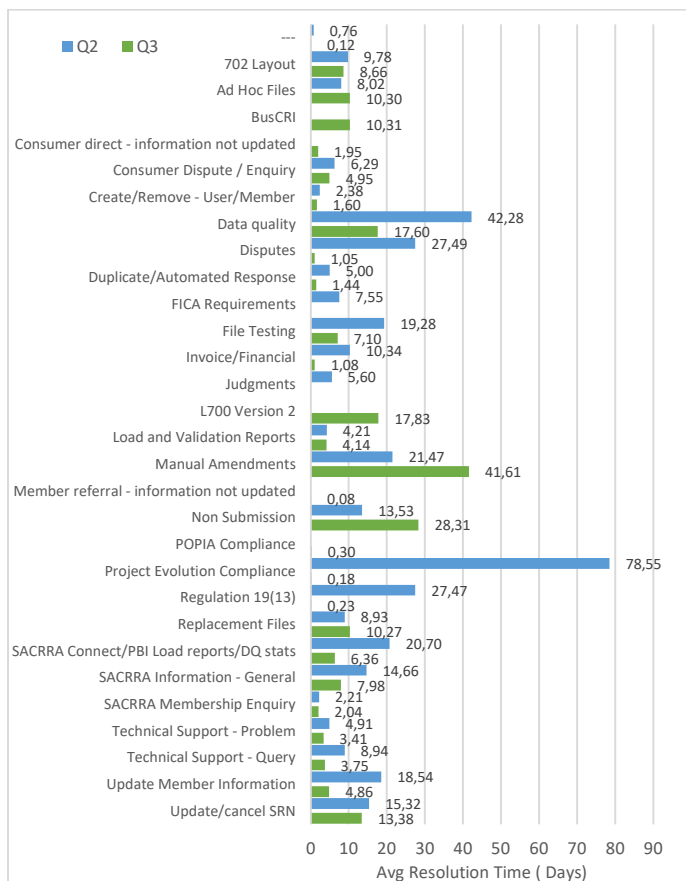
In Q3, we improved our average turnaround time by 33%, from 14 days in Q2 to nine days. The predominant issues reported refer to the updating and cancelling of Supplier Reference Numbers (SRNs), followed by ad hoc file issues and requests.

As part of our commitment to improving service levels, we are looking at ways to facilitate a more efficient ad hoc file request process via SACRRA Connect. The issues have also been flagged as needing to be addressed through workshops and circulars.

We continue to actively review and amend the SSS key performance measures so that we can better group and analyse the data to cater to the diverse needs of all our members.

Help Us To Help You: Share Your Support Experience at SSS

Fantastic news! 🎉 We've achieved an impressive 85% satisfaction score from our recent user survey, thanks to the valuable feedback from members who use the SACRRA Support Station.

We're on a mission to reach new heights of excellence, and your feedback and insights are key to making this happen. That's why we invite you to spare just two minutes of your time to rate the quality of our support after your ticket is resolved.
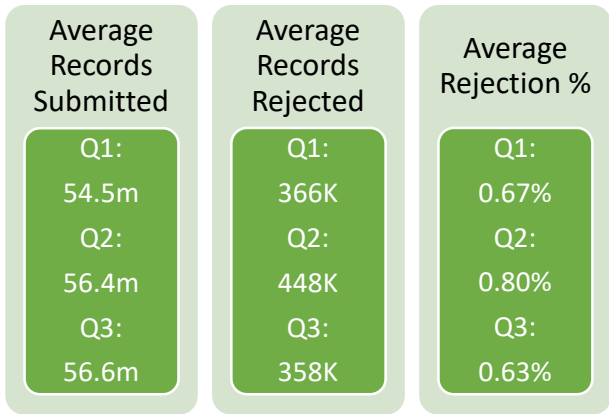
Here's how it works:

1. Resolve your support ticket.
2. Click on the Satisfaction Survey link.
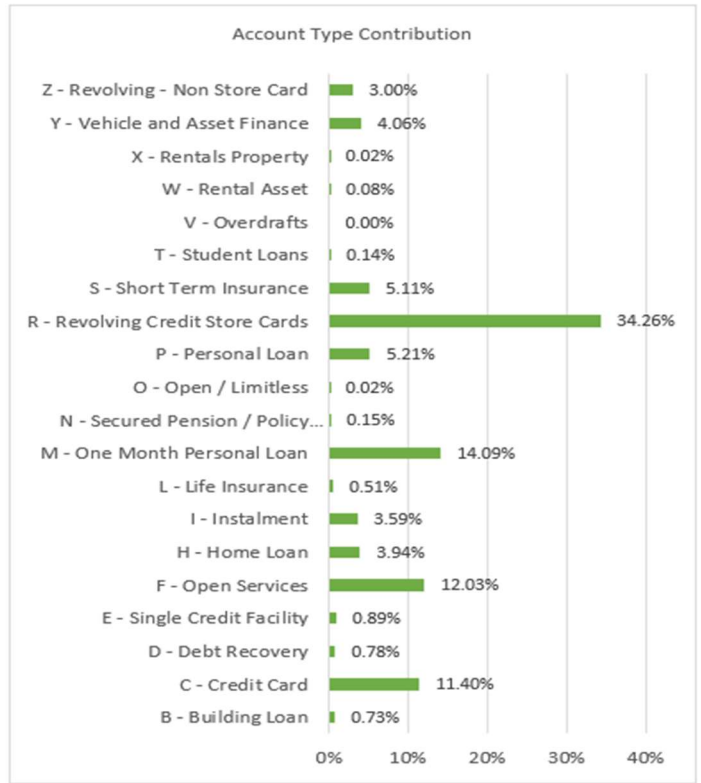3. Share your experience – we read every comment!

We count on your feedback to help us serve you better and ensure that every support interaction a five-star experience! Thank you for being an integral part of our SSS community.

Data Submission Statistics

Between 1 July and 30 September 2023, an average of 56.6 million payment profile lines were submitted every month, which aligns with the 56.4 million in Q2. On average, 358,000 records were rejected, resulting in a rejection rate of 0.63%, which surpasses our target of 0.70%. This marks a significant improvement from the previous quarter and can be attributed to the successful resolution of several key anomalies within file

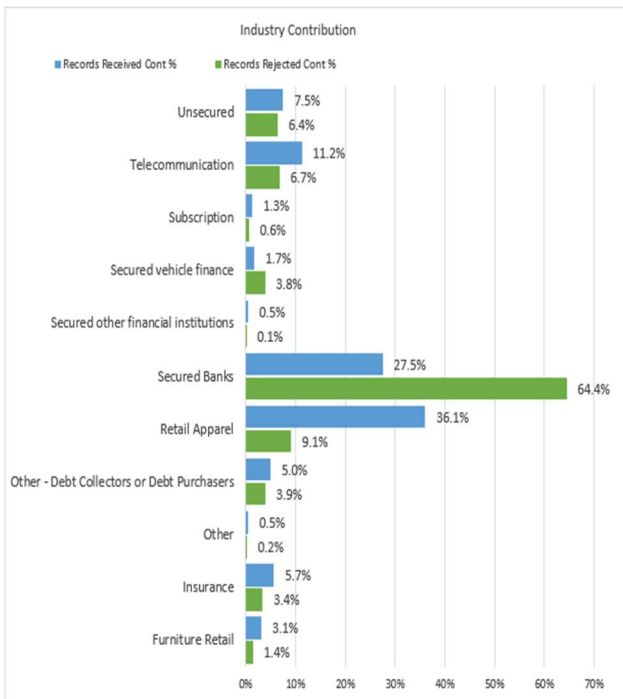| Average Records Submitted	Average Records Rejected	Average Rejection %
Q1: 54.5m	Q1: 366K	Q1: 0.67%
Q2: 56.4m	Q2: 448K	Q2: 0.80%
Q3: 56.6m	Q3: 358K	Q3: 0.63%

submissions.

The previous table shows the contribution of submissions by account type, with the largest contributor in terms of volume being the revolving store card product, followed by personal loans.

Account Type Contribution

Account Type	%
Z - Revolving - Non Store Card	3.00%
Y - Vehicle and Asset Finance	4.06%
X - Rentals Property	0.02%
W - Rental Asset	0.08%
V - Overdrafts	0.00%
T - Student Loans	0.14%
S - Short Term Insurance	5.11%
R - Revolving Credit Store Cards	34.26%
P - Personal Loan	5.21%
O - Open / Limitless	0.02%
N - Secured Pension / Policy...	0.15%
M - One Month Personal Loan	14.09%
L - Life Insurance	0.51%
I - Instalment	3.59%
H - Home Loan	3.94%
F - Open Services	12.03%
E - Single Credit Facility	0.89%
D - Debt Recovery	0.78%
C - Credit Card	11.40%
B - Building Loan	0.73%

Sector Contribution to Records Submitted and Rejected

Industry Contribution (Records Received Cont % / Records Rejected Cont %)

Sector	Received	Rejected
Unsecured	7.5%	6.4%
Telecommunication	11.2%	6.7%
Subscription	1.3%	0.6%
Secured vehicle finance	1.7%	3.8%
Secured other financial institutions	0.5%	0.1%
Secured Banks	27.5%	64.4%
Retail Apparel	36.1%	9.1%
Other - Debt Collectors or Debt Purchasers	5.0%	3.9%
Other	0.5%	0.2%
Insurance	5.7%	3.4%
Furniture Retail	3.1%	1.4%

Secured banks and retail apparel are the leading contributors in terms of records by sector, with secured banks highlighted as the primary contributor to rejected records. This is a focus area for the banking sector and substantial progress has already been made. Continued improvement is anticipated going forward.

Initiatives and Projects

The Joint CBA/SACRRA Paid-up Judgment Submission Project

Good progress has been made on the joint initiative between SACRRA and the Credit Bureau Association (CBA) Paid-Up Judgment (PUJ) pilot project which will see all PUJs being shared through the population of a CBA Webform sent via the Data Transmission Hub.

Meetings have been held with most of our data contributing members and we are in the final stages of signup and testing.

Automation/IT projects

The successful implementation of authorisations for replacement file submissions has led to a marked improvement in the way these files are processed, as only legitimate replacement files are now submitted.

We continue to work closely with the CBA and our bureau members to align data quality statistics and have made significant progress in this regard. We are currently implementing changes to our warehouse data processing environment that will further improve these results.

Finally, our Power BI dashboards for SACRRA Support System data have been finalised and are expected to provide better insight into trending issues and analysis of these statistics.

Business Credit and Risk Information (BusCRI) Initiative

While we await the completion of the legal opinion, we have begun the search for a consultant to bring in-depth expertise and project management capabilities to ensure that we deliver on the BusCRI initiative.

New Members Onboarded & Stakeholder Engagement

Welcome to Our New Members

Four Full Members in category F joined in October as well as one Affiliate Member. We are eager to finalise their onboarding process and enhance our data repository with high-calibre information.

Two-hundred and eighty-six new Supplier Reference Numbers (SRNs) were requested by Affiliate Group Leaders during the third quarter – being either new companies joining, or new branches added to existing individual members.

ALG Leader	Jul	Aug	Sep	Total
ACPAS	3	6	3	12
COMPUSCAN	45	9	6	60
DELTER	52	39	49	140
Fintech Fundi (Pty) Ltd	20			20
FLEXISOFT (PTY) LTD	13		5	18
Ke Concepts (Pty) Ltd		4		4
LOAN-INFO		2		2
MODALITY APPS (PTY) LTD	5		3	8
MYCOMAX	2	7	2	11
PAYPOCKET (PTY)LTD		1		1
Quinn Pay (Pty) Ltd		7	3	10
Grand Total	140	75	71	286

National Credit Regulator (NCR) and Stakeholder Collaboration

The SACRRA Office was invited by the NCR to be a judge and consultant respectively during the International Finance Corporation (IFC)/ NCR Tech Sprints and demo days held during October. We congratulate three of SACRRA's Group Leaders (under the Affiliate-led Group membership) who were invited by the IFC/NCR to present their proposed solutions during the showcase event held on 24 October 2023. This initiative aligns with SACRRA's new strategy to

look for ways to improve or transform the data-sharing and reporting ecosystem for the benefit of SACRRA's members, consumers, regulators, and other stakeholders.

The SACRRA office presented four Regulation 19(13) Compliance webinars in late November in collaboration with the NCR.

We were also delighted to participate in the MFSA's Compliance workshop and Celebration 2023, and to be invited to present to one of our member companies, Bayport SA, on the occasion of their global compliance day.
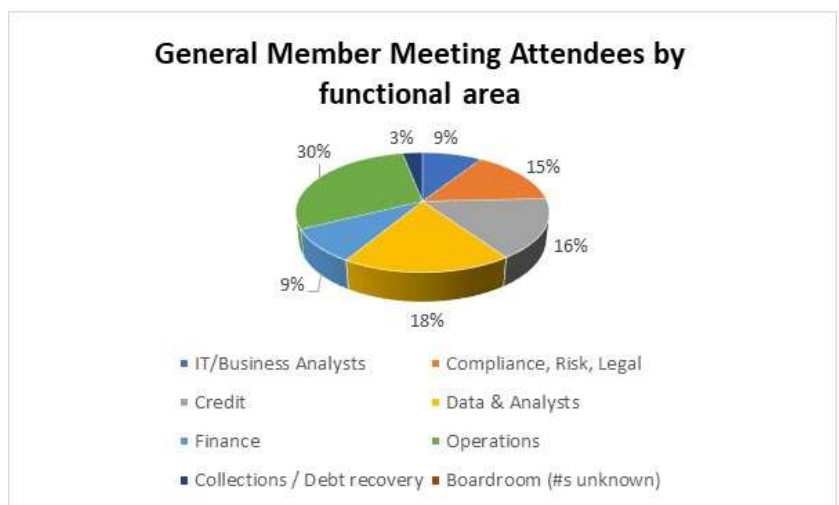
Outcome of SACRRA General Member Meeting

The General Meeting was held on 12 October 2023, and the Governing Body and Office would like to express our appreciation to all the members who attended (in person or online), participated and cast their votes on the motions tabled (all passed). During the formal part of the meeting, Governing Body members were re-elected for the next three years, the Executive Director presented the 2023-2025 Strategy, and members approved the budget and membership fee increases for the 2024 financial year.

General Member meeting Participant breakdown

We also gave heartfelt thanks and recognition to the outgoing Executive Director, Darrell Beghin, and Governing Body members, Gabriel Davel, Ruben Naidoo and Chaz Jaftha, for their dedicated service, and momentous contributions made during their tenure.

Members and guests enjoyed an insightful panel discussion, facilitated by Illana Melzer. The panel explored the impact of digitisation on economic development in townships. BER economist, Cobus Venter, outlined the potentially transformative impact of internet connectivity on consumers and the data they generate as they interact digitally. Steve Briggs, CEO of Isizwe, followed with a more detailed case study.

The proposed member meeting dates to diarise for next year, are currently 16 May 2024 for the AGM and 10 October 2024 for the General Meeting.

General Member Meeting Attendees by functional area

Team SACRRA:

Gearing up to serve you better in 2024.

From left, Thato Diseko (Business Analyst), Musa Mhana (User Support & System Administrator), Sibongile Moipusi (Portfolio Manager), Sam Heuer (Portfolio Manager), Magauta Mphahlele (Executive Director), Thandile Gubevu (Portfolio Manager), Tebogo Mokgonyana (Data Specialist), Patrick Mabunda (Portfolio Administrator), Charlette Findlay (Portfolio Manager), Anestacia Burger (Corporate Services Administrator), Andrea van der Westhuizen (Head: Operations), Fiona Pottinger (Manager: Portfolio Management), Thato Mofokeng (Portfolio Manager)

[Absent - Caroline Smith, Head: Technology & Programme Manager]

To all our valued Members & Stakeholders

We hereby express our heartfelt gratitude for the steadfast support you have provided throughout 2023.

Your contributions (financial and otherwise) contributed to our progress on key initiatives and achievements.

As we approach the festive season, we wish you and your loved ones a joyful and serene time of rest and recharge.

We eagerly anticipate our continued collaboration during 2024.

Warm regards, SACRRA Governing Body, Management and Office Team

CONTACT US

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