

Optimising Revenue with Data Insights





What does SA's credit arena look like?





+- 5000 Credit Providers



15 Credit Bureaux

+- 2000 Debt Counsellors



23.45 m Credit active consumers R1.6t debt 13.53m in good standing

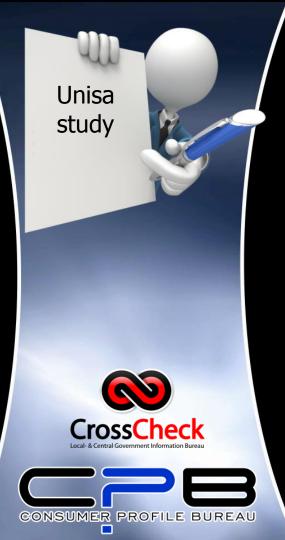




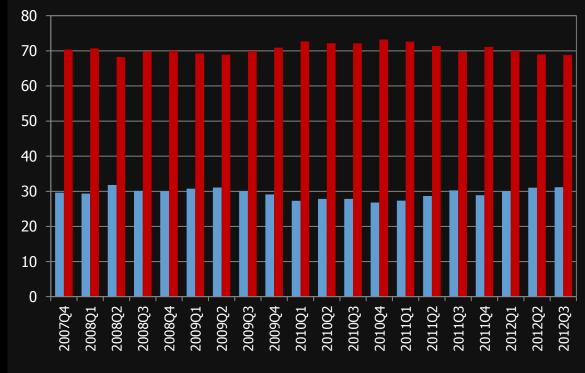
+- 15 000 Debt Collectors



23 000 attorneys / Collectors?



Indebtedness – Credit vs Non credit



% Credit accounts

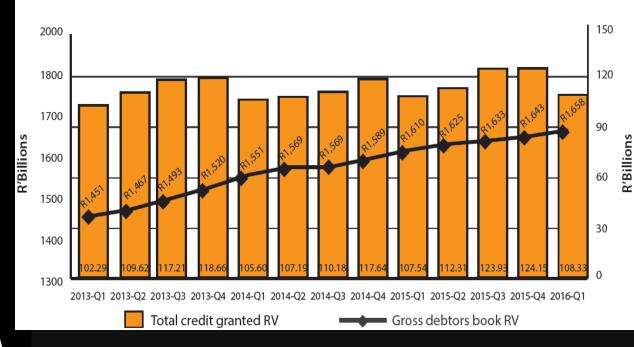
% Non-credit accounts

How does the Credit granted compare with Debtors book?





Credit Granted vs. Gross Debtors book



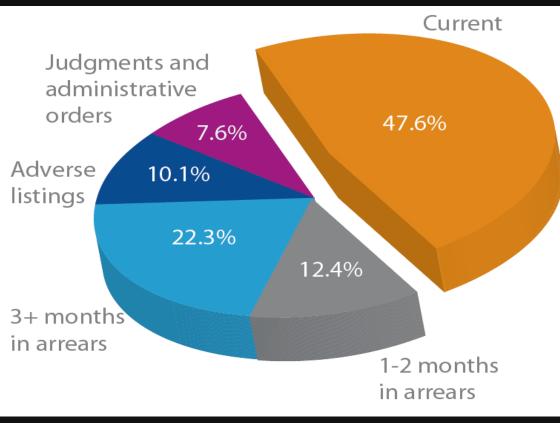
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What is the credit standing of consumers?





Credit standing of consumers

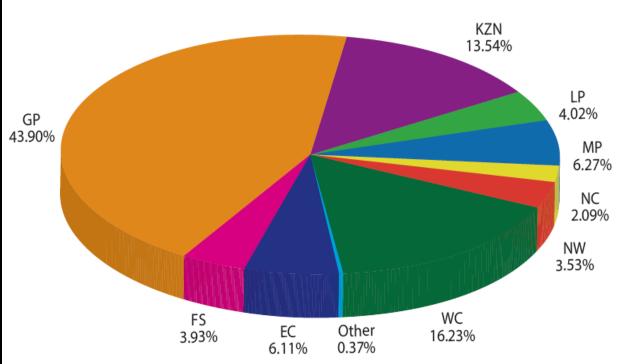


What is the distribution of Credit Granted between Provinces





Provincial distribution of Credit Granted



Category	Q end Dec 2013	Dec	Q end Mar 2016
		2015	

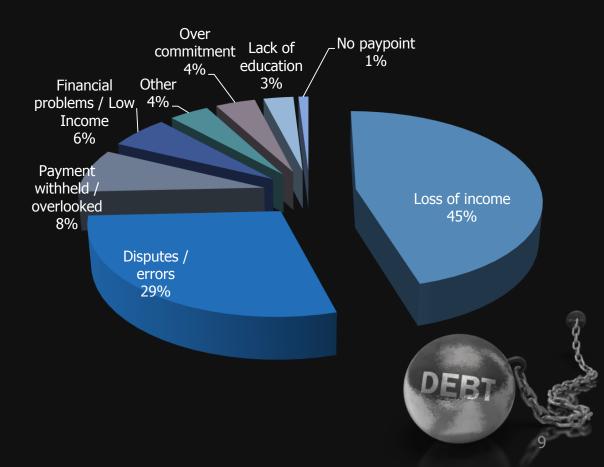
NCA Credit Act Cons	16.78m	20.64m	22.84m	23.74m	23.88m
NCA Accounts	52.06m	73.18m	79.42m	83.55m	84.96m
NCA Enquiries	104.73m	348,66m	365.76m	376.04	391.78
NCA New Credit	R 102 370b	R 117 213b	R107 190b	R113.93b	R123.93b
NCA Impaired accs	11.36 m	19.74 m	19.27 m	19.99 m	19.92 m
NCA Debt book	R1,02t	R 1,52t	R 1,57t	R1,63t	R1.66t
Municipal Debt	′05 R27b	'10 R56b	′14 R 98b	`15 R113b	`16 R 118b

Why does consumers not pay their debt?





Reasons for non-payment



How does different sectors compare for non payment?





Different sectors non payment reasons

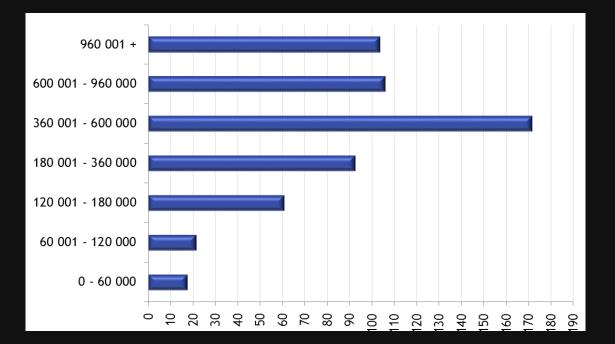
Sector	Loss of income	Withheld payment	Query/ disputes	Financial problem / overcom mitted
Financial services	47%	6%	19%	15%
Public Sector	9%	45%	36%	9%
Retail Sector	44%	8%	15%	15%
Telecommunications	17%	0%	69%	11%

Debt as % of income





Distributional statistics Debt as % of income

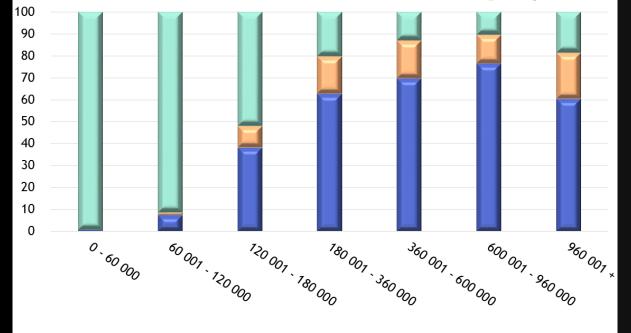


Credit within income group



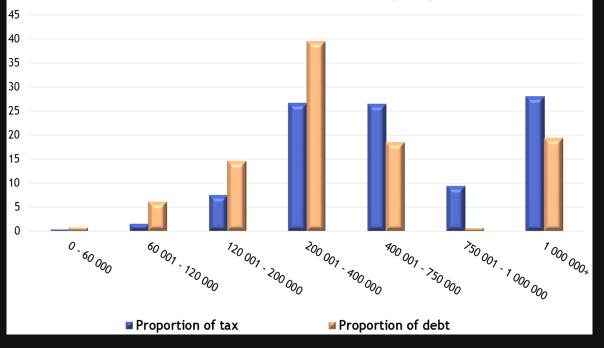


Distribution of credit within income group



Mortgages Vehicles Other





Tax and interest burden: Same groups hit





Impact of strikes on consumers





Credit accounts: Good standing





Legislative / Regulatory / Market influencers





Market influencers

- Credit Amnesty
- Debt Forgiveness
- Emolument Attachment Orders
- Cost of Credit
- Credit Insurance
- Debit orders authentications
- Affordability calculations
- Job losses / unemployment
 Political Influencers



External legislative impacts

- Debt Collector's Act Amendment
- National Credit Act Amendments
- Magistrates Court Act Amendments
- Maintenance Act Amendments
- Protection of Personal Information Regulations
- Cybersecurity
- Electronic communications Act
- FICA KYC/ AML
- Outcomes of court cases



Value of fixing data, enriching with other datasets and then derive value from that in the Municipal world

Collectability







Profiling your customer to optimise Revenue







Treasury report on Municipal Debt in SA





Total Municipal Debt R 118b

- Households 66% R77.8b
- R22.7 b recoverable
- R574b written off
- Metro's owes most R64.4b
- Households R42.1b 65%
- Businesses R18.4b
- Government R1.6b
 Biggest Metros
 - City of Johannesburg R21.6 billion
- Ekurhuleni **R13.6 billion**
- City of Tshwane **R7.5 billion**
- City of Cape Town **R6.9 billion**

Challenges on Municipal Data





Data silos

- Municipal own data
 - Supply chain data
 - HR Data
 - Revenue data
 - Valuation role
 - Meter readings
 - Billing
 - Financial / collection system
 - Customer data
 - Header / Master file
 - Collection interactions
 - Contactability updates
 - Links to other accounts
 - Indigent registers

Challenges on Municipal Data





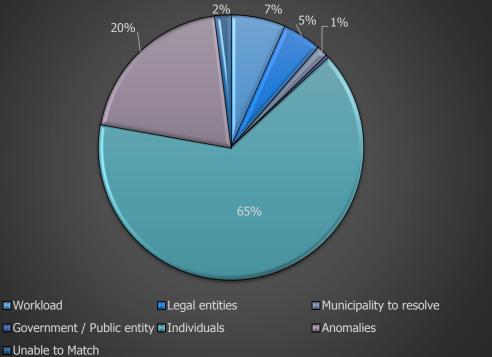
Other data insights

- Attribute data
 - Property ownerships
 - Directorships
- Private sector data
 - Credit activities
 - Collection activities
 - Financial status / abilities
- Hidden links
 - Fraud data
 - Historical municipal data
 - Other municipal arrears





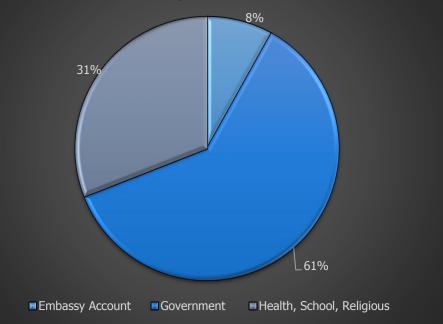
Total accounts verification process







Goverment / Public services

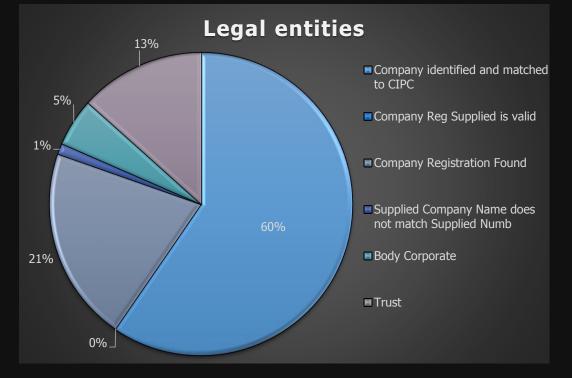


Embassy Account	1 623
Government	12 224
Health, School, Religious	6 210





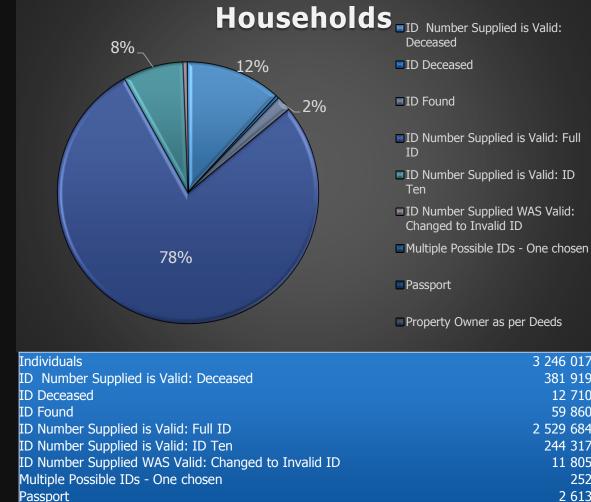
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ompany identified and matched to CIPC	140 605
company Reg Supplied is valid	49
company Registration Found	49 085
upplied Company Name does not match Supplied Numb	2 756
ody Corporate	12 107
rust	31 519







Property Owner as per Deeds



Current vendors to Municipality

Description	Detail
Vendor	500
Payments to vendors this financial year	R1 200 000 000
Directors and Spouse Arrears	R 15 000 000

Vendors that has not been paid this financial year but sitting with major arrears with Directors / Spouses

Description	Detail
Vendor	5 500
Payments to vendors this financial year	R 0
Directors and Spouse Arrears	R 135 000 000



Indigents status / Deceased

IndigentFlag	Deceased	Accounts	Balance	
No	0	1,310,273	6,338,375,616	
	1	82,983	506,354,258	
Yes	0	80,265	51,328,894	
	1	11,551	10,223,945	
Grand Total		1,485,072	6,906,282,712	

Flagged indigents with alerts

AlertFlag	Accounts	Arrears	
Ν	36,479	219,848,800.13	
Υ	39,642	350,137,693.29	
Grand Total	76,118	569,986,493.43	





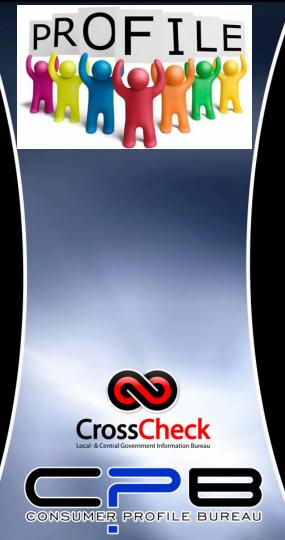


Indigents / Valid accounts with arrears

IndigentFlag	ValidID	Accounts	Total Arrears	Total Balance
No	0	414,166	2,996,051,283.64	3,525,845,834
	1	979,090	2,877,356,676.08	3,318,884,040
Yes	0	7,145	4,294,840.29	5,547,307
	1	84,671	36,967,437.85	56,005,532
Grand Total		1,485,072	5,914,670,237.87	6,906,282,712

Deceased Indigents flagged

IndigentFlag	Deceased	Accounts	Total Arrears	Total Balance	
Yes	1	11,551	6,902,461	10,223,945	



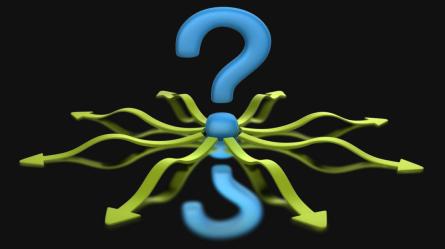
Vendor Conflicts to HR

Description	Detail
Number of potential conflicts	2 000

Vendor Conflicts to HR

Description	Detail
No of Staff with arrears	5 000
Total arrears on staff accounts	R 50 000 000

Questions?







Marina Short Chief Executive Officer