



Department of Performance Monitoring and Evaluation

Report on the Assessment of Government Evaluations

The cost of credit, access to credit and associated market practices 2011

Date Evaluation was completed: July 2011

Name of assessor: Stephen Rule

Evaluation Number: 96

Date Assessment Completed: 19th February 2013

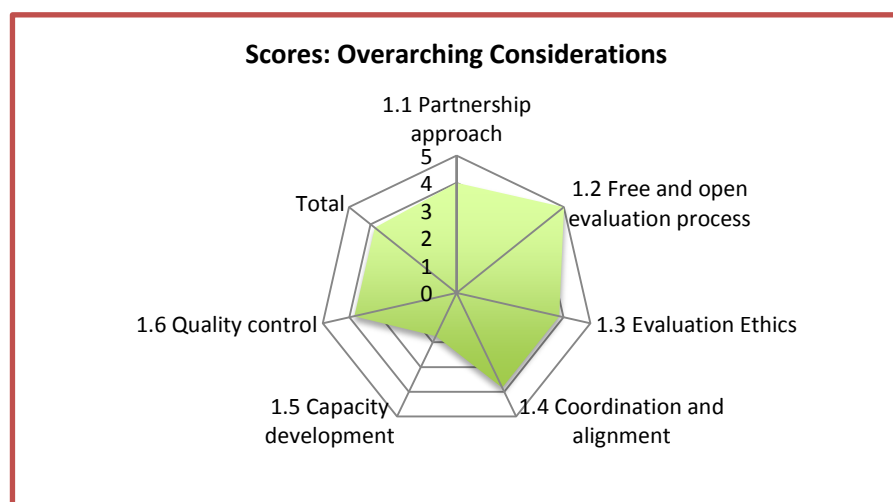
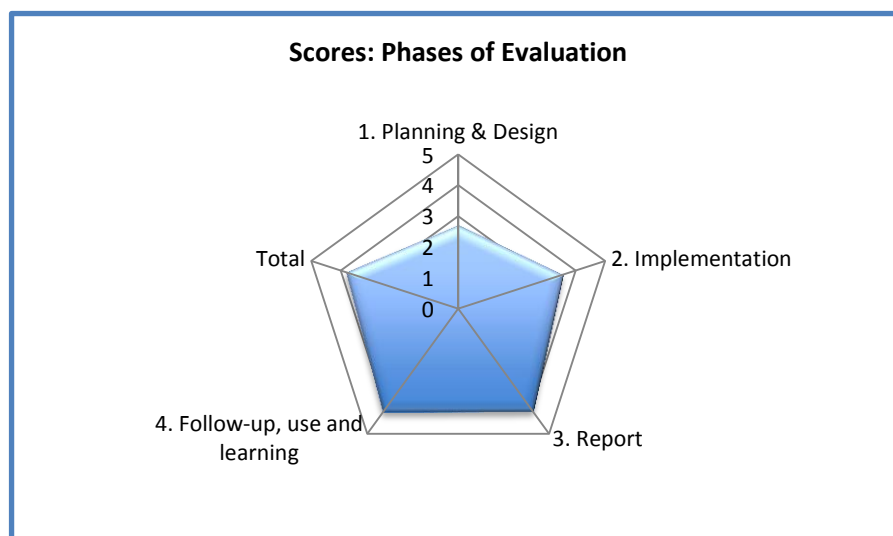
Evaluation Assessment Details

Title of evaluation report	The cost of credit, access to credit and associated market practices 2011
Completion Date of Evaluation	July 2011
Name of Assessor	Stephen Rule
Evaluation Number	96
Completion Date of Assessment	19th February 2013
Initiated by	National Credit Regulator
Evaluation undertaken by	Feasibility (Pty) Ltd
Evaluation area / sector	Business
	Additional
National Outcome	Outcome 4
	Additional
Type of Evaluation	Diagnostic
	Additional
What is being evaluated	Cost of and access to credit in SA
	Additional
Geographic Scope	National
Period of Evaluation	November 2010-July 2011
Known Cost of Evaluation	Undisclosed

Quality Assessment Scores

Phase of Evaluation	Score
Planning & Design	2.71
Implementation	3.56
Report	4.11
Follow-up, use and learning	4.14
Total	3.81

Overarching Consideration	Score
Partnership approach	4.00
Free and open evaluation process	5.00
Evaluation Ethics	3.83
Coordination and alignment	3.83
Capacity Development	1.75
Quality control	3.83



1. Planning & Design

1.1. Clarity of Purpose and Scope in TOR

STANDARD: *The evaluation was guided by a TOR with at least the following sections explicit: purpose, scope and objectives; expectations regarding design and methodology; resources and time allocated; reporting requirements; expectations regarding evaluation process and products..*

Comment and Analysis

Both programme manager (NCR) and service provider (Feasibility) indicated that the ToR were explicit in terms of purpose, scope, objectives and expectations. The service provider said that further clarification was required in respect of the methodology which was perceived to be too ambitious. In any event, additional time was requested for completion of the project.

Rating 3

STANDARD: *The purpose of the evaluation was clear and explicit in the TOR*

Comment and Analysis

Not applicable.

Rating N/A

STANDARD: *The evaluation questions were clearly stated in the TOR and appropriate to addressing the evaluation purpose*

Comment and Analysis

The questions were reasonably clear but not highly explicit.

Rating 3

STANDARD: The approach and type of evaluation was suited to the purpose and scope of the evaluation TOR**Comment and Analysis**

Not applicable.

Rating N/A

STANDARD: Intended users and their information needs were identified in the TOR**Comment and Analysis**

Not applicable.

Rating N/A

STANDARD: Key stakeholders were involved in the scoping of the TOR and determining the purpose of the evaluation**Comment and Analysis**

Not applicable.

Rating N/A

1.2. Evaluation was adequately resourced

STANDARD: The evaluation was adequately resourced in terms of time allocated

Comment and Analysis

There was not consensus on the time allocated, the service provider indicated that it was inadequate.

Rating 2

STANDARD: The evaluation was adequately resourced in terms of original budget

Comment and Analysis

Not applicable.

Rating N/A

STANDARD: The evaluation was adequately resourced in terms of staffing and skills sets

Comment and Analysis

Not applicable.

Rating N/A

STANDARD: *Where appropriate, the evaluation planned to incorporate an element of capacity building of partners/staff responsible for the evaluand*

Comment and Analysis

Not applicable.

Rating N/A

1.3. Alignment to Policy Context and Background Literature

STANDARD: *There was evidence that a review of the relevant policy and programme environments had been conducted and used in the planning of the evaluation by the evaluators*

Comment and Analysis

The relevant credit policy and programme environment was clearly factored into the planning of the research (it was not called an evaluation), on the basis of previous research projects done for the NCR.

Rating 4

STANDARD: *There was evidence of a review of appropriate literature having been conducted and used in the planning of the evaluation by the evaluators*

Comment and Analysis

It was not evident that excessive additional literature reviewing had been done as part of the planning of the project.

Rating 2

1.4. The evaluation methods planned were appropriate to the project

STANDARD: There was explicit reference to the intervention logic or the theory of change of the evaluand in the planning of the evaluation

Comment and Analysis

Not applicable.

Rating **N/A**

STANDARD: Key stakeholders were consulted on the design and methodology of the evaluation

Comment and Analysis

The NCR indicated that there was no perceived need for key stakeholders to be consulted on the design and methodology of the evaluation.

Rating **1**

STANDARD: The planned methodology was appropriate to the questions being asked

Comment and Analysis

Whereas the NCR indicated that the methodology was appropriate, the service provider was of the view that to utilise both 'mystery shopping' and focus groups was too ambitious for a project of this size.

Rating **2**

STANDARD: Planned sampling was appropriate and adequate given the focus and purpose of evaluation***Comment and Analysis***

The service provider expressed disappointment at the size of the 'pre-agreement' but said that it was attributable to non-compliance with the NCA. Presumably there were an inadequate number of appropriate respondents.

Rating 2***STANDARD: There was a planned process for using the findings of the evaluation prior to undertaking the evaluation******Comment and Analysis***

Responses from the NCR indicated that there were plans to make use of the findings.

Rating 4**1.5. Inception phase*****STANDARD: The inception phase was used to develop a common agreement on how the evaluation would be implemented******Comment and Analysis***

Not applicable.

Rating N/A

2. Implementation

2.1. Ethical Review and Considerations

STANDARD: *Where data was gathered in contexts where ethical sensitivity is high, appropriate clearance was obtained through an ethics review board; e.g. in evaluation involving minors, institutions where access usually requires ethical or bureaucratic clearance, and situations where assurances of confidentiality was offered to participants*

Comment and Analysis

There appears not to have been an ethical review board, but the service provider indicated that none of the identities of respondents or participants in the research were revealed, and that enquiries by mystery shoppers were removed from the credit bureaux databases.

Rating 4

2.2. Evaluator independence

STANDARD: *Where external, evaluation team was able to work freely without significant interference*

Comment and Analysis

There was no indication of interference by the NCR in the project.

Rating 4

STANDARD: The evaluation team was impartial and there was no evidence of conflict of interest

Comment and Analysis

There was no evidence of any conflict of interest on the part of the evaluation team.

Rating 5

2.3. Key stakeholder involvement

STANDARD: Key stakeholders were consulted through a formalised mechanism or institutional arrangement during the evaluation

Comment and Analysis

Key stakeholders were presented with the results and their comments were factored into the report.

Rating 3

STANDARD: Where appropriate, an element of capacity building of partners responsible for the evaluand was incorporated into the evaluation

Comment and Analysis

No evidence of capacity building could be discerned.

Rating 1

2.4. Methodology

STANDARD: The methods employed in the process of the evaluation were consistent with those planned

Comment and Analysis

Not applicable.

Rating N/A

STANDARD: Data collection was not compromised by fieldwork-level problems or unplanned diversions from original intentions

Comment and Analysis

The challenge in the fieldwork was to obtain responses within the allotted time period.

Rating 4

STANDARD: Forms of data gathering were appropriate given the scope of evaluation

Comment and Analysis

The data gathering methods were appropriate but too extensive for the scope of the project.

Rating 3

STANDARD: The data analysis approach and methods were appropriate and sufficient given the purposes of the evaluation

Comment and Analysis

The data analysis approach and method delivered the type of results anticipated.

Rating 4

STANDARD: Key stakeholders were significantly engaged as part of the methodology

Comment and Analysis

Key stakeholders in the form of a Reference Panel were given the opportunity to comment on the findings of the research. The participants represented the SARB, Econometrix, UNISA and the IDC.

Rating 4

STANDARD: The methodology included engaging beneficiaries appropriately as a key source of data and information

Comment and Analysis

Beneficiaries were engaged in order to provide key data for the study. These took the form of credit providers and mystery shoppers, the latter as representatives of the public.

Rating 4

2.5. Project management

STANDARD: The evaluation was conducted without shifts to scheduled project milestones and timeframes

Comment and Analysis

There was an extension of time for completion of the project.

Rating 2

3. Report

3.1. Report was well-structured and presentation was clear and complete in each of these areas

STANDARD: Executive summary captured key components of the report appropriately

Comment and Analysis

There was no separate executive summary available, although the key findings regarding each form of credit were extensively summarised in a separate chapter.

Rating 1

STANDARD: The context of the development intervention was explicit and presented as relevant to the evaluation

Comment and Analysis

The context of the development intervention was explicit, namely the emergent middle class and its increasing demand for and access to credit.

Rating 4

STANDARD: There was a clear rationale for the evaluation questions**Comment and Analysis**

The rationale for the evaluation/ research questions was clear in its objective of wanting to interrogate the nature of and demand for credit products by consumers.

Rating 4

STANDARD: The scope or focus of the evaluation was apparent in the report**Comment and Analysis**

Not applicable.

Rating N/A

STANDARD: A detailed methodology was outlined in the relevant section of a report (full report or 1/3/25) to the point that a reader could understand the data collection, analysis and interpretation**Comment and Analysis**

The various research methodologies employed were explained in great detail in a separate chapter at the end of the report.

Rating 5

STANDARD: Key findings were presented in a clear way; they were made distinct from uncertain or speculative findings; and unused data was not presented in the body of the report**Comment and Analysis**

The key findings in respect of each form of credit were presented clearly at the conclusion of each chapter, as well as in a separate chapter near the end of the report.

Rating 5

STANDARD: Conclusions and recommendations were clear and succinctly articulated

Comment and Analysis

The conclusions and recommendations were very clearly and succinctly presented.

Rating 4

STANDARD: Acknowledgement of limitations of all aspects of the methodology and findings were clearly and succinctly articulated

Comment and Analysis

It was explicitly acknowledged that the lack of a representative sample of consumers was a constraint to the study. Nevertheless, much effort was put into gathering relevant data from a diversity of roleplayers in the credit environment.

Rating 4

3.2. Writing and presentation

STANDARD: *Quality of writing and presentation was adequate for publication including: adequate layout and consistent formatting; complete sentences and no widespread grammatical or typographical errors; consistency of style and writing conventions (e.g. tense, perspective (first person, third person); levels of formality; references complete and consistent with cited references in reference list and vice versa; etc)*

Comment and Analysis

The quality of the writing and presentation was suitable for publication. No blatant errors were identified in respect of grammar, typographical errors, style and referencing.

Rating 5

STANDARD: *Appropriate conventions were used in presentation of data (e.g. use of appropriate statistical language; reporting of p-values where appropriate; not reporting statistically insignificant findings as significant; clarifying disaggregation categories in constructing percentages; not using quantitative language in reporting qualitative data, etc.)*

Comment and Analysis

Data were presented in simple and appropriate ways.

Rating 4

3.3. Presentation of findings

STANDARD: *The use of figures and tables was such that it supported communication and comprehension of results; and data reported in figures and tables was readily discernible and useful to a reader familiar with data presentation conventions*

Comment and Analysis

The report contained a large number of figures (125) and tables (82), as well as 6 information boxes, all of which elucidate the text.

Rating 5

STANDARD: Data analysis appeared to have been well executed

Comment and Analysis

The analysis of the data was well executed.

Rating 4

STANDARD: Findings were supported by available evidence

Comment and Analysis

The findings were based upon the research evidence.

Rating 4

STANDARD: The evidence gathered was sufficiently and appropriately analysed to support the argument**Comment and Analysis**

The evidence gathered was sufficiently and appropriately analysed to support the arguments and recommendations tabled.

Rating 5

STANDARD: There was appropriate recognition of the possibility of alternative interpretations**Comment and Analysis**

The analysis allowed for flexibility of interpretation in some instances.

Rating 3

STANDARD: The report appeared free of significant methodological and analytic flaws**Comment and Analysis**

No methodological or analytical flaws were detectable.

Rating 4

3.4. Conclusions

STANDARD: Conclusions were derived from evidence

Comment and Analysis

The conclusions were directly derived from the evidence presented.

Rating 5

STANDARD: Conclusions took into account relevant empirical and/or analytic work from related research studies and evaluations

Comment and Analysis

The conclusions drew extensively on SARB and other empirical data and analysis.

Rating 4

STANDARD: Conclusions addressed the original evaluation purpose and questions

Comment and Analysis

The conclusions addressed the purpose of the study, namely to review market practices and the experience of consumers in accessing and repaying credit.

Rating 4

STANDARD: Conclusions were drawn with explicit reference to the intervention logic or theory of change**Comment and Analysis**

Not applicable.

Rating **N/A**

3.5. Recommendations***STANDARD: Recommendations were made in consultation with appropriate sectoral partners or experts*****Comment and Analysis**

Sectoral partners made inputs into the recommendations by means of comment made on the draft findings and at a presentation to the Reference Panel.

Rating **5**

STANDARD: Recommendations were shaped following input or review by relevant government officials and other relevant stakeholders**Comment and Analysis**

Relevant officials in the public and private sectors helped to shape the recommendations of the report.

Rating **4**

STANDARD: Recommendations were relevant to the policy context**Comment and Analysis**

The recommendations were relevant to the policy context of a growing middle class consumer base with relatively little experience of the formal credit market environment.

Rating 5

STANDARD: Recommendations were targetted to a specific audience sufficiently - were specific, feasible, affordable and acceptable**Comment and Analysis**

The recommendations appear to be specific, feasible, affordable and acceptable to the NCR.

Rating 4

3.6. Relevant limitations of the evaluation have been noted**STANDARD: Relevant limitations of the evaluation were noted****Comment and Analysis**

The limitations in terms of the absence of a representative sample of consumers were explicitly noted.

Rating 3

3.7 Protection of participants and risk considerations

STANDARD: *The full report documented procedures intended to ensure confidentiality and to secure informed consent where this was needed (in some cases this is not needed - e.g. evaluation synthesis - in which case N/A should be recorded)*

Comment and Analysis

Although this was not mentioned in the report, the NCR indicated that it had monitored the anonymity issue in respect of participants in focus groups and mystery shopping throughout the project. The names of credit providers were however all listed in the report, presumably with their authorisation.

Rating 3

STANDARD: *There were no risks to participants in disseminating the original report on a public website*

Comment and Analysis

There were no discernible risks to participants in the dissemination of the report on a public website.

Rating 3

STANDARD: *There were no unfair risks to institutions in disseminating the original report on a public website*

Comment and Analysis

The institutional participants were named in the report. However, their specific attitudes and responses in interviews were not identified.

Rating 4

4. Follow-up, use and learning

4.1. Presentation to stakeholders

STANDARD: *Results were presented to all relevant stakeholders*

Comment and Analysis

A range of key stakeholders were presented with the results. Others had access to the report on the Internet.

Rating 4

4.2. Resource utilisation

STANDARD: *The evaluation was completed within the planned timeframes*

Comment and Analysis

The evaluation time period was exceeded with the permission of the programme manager.

Rating 3

STANDARD: *The evaluation was completed within the agreed budget*

Comment and Analysis

The project was completed within the allocated budget, although the service provider indicated that this could have been increased in order to enhance the quality of the results.

Rating 4

4.3. Transparency

STANDARD: *The report was publicly available (website or otherwise published document), except where there were legitimate security concerns*

Comment and Analysis

The complete 262-page report was publicly available as a download on the NCR website at http://www.ncr.org.za/press_release/2011%2008%20Access%20to%20credit%20Feasibility%20report.pdf

Rating 5

4.4. Lessons learnt

STANDARD: *After completion of the evaluation, a reflective process was undertaken by staff responsible for the evaluation to reflect on what could be done to strengthen future evaluations*

Comment and Analysis

It appears that at least some post-project reflection occurred in that the NCR described the process as "very effective" and commented that "continuous evaluation and regular feedback during the evaluation works best".

Rating 3

4.5. Symbolic and conceptual value

STANDARD: *The evaluation study was seen by interviewed stakeholders as having added significant symbolic value to the policy or programme (eg raised its profile)*

Comment and Analysis

The interviewed programme manager and service provider perceived the study as having added value to the policy.

Rating 4

STANDARD: The evaluation study was of conceptual value in understanding what has happened and possibly in shaping policy and practice

Comment and Analysis

The study was of conceptual value in understanding trends in the credit industry and in determining appropriate future policy interventions.

Rating 4

4.6. Utilisation of findings and recommendations

STANDARD: There was clear evidence of instrumental use - that the recommendations of the evaluation were implemented to a significant extent

Comment and Analysis

The mandate of the NCR was to monitor the implementation of the NCA continuously. It was therefore incumbent upon the NCR to evaluate and implement recommendations that were deemed appropriate. It was evident that the provisions of the NCA were becoming more known in the public domain as a consequence of drives for transparency, honesty and awareness creation to improve.

Rating 4

STANDARD: There was clear evidence that the evaluation has had a positive influence on the evaluand, its stakeholders and beneficiaries over the medium to long term

Comment and Analysis

The NCR indicated that the evaluation process had been "very effective".

Rating 4

References

Feasibility (Pty) Ltd. August 2011. The cost of credit, access to credit and associated market practices. Report to the National Credit Regulator.

List of Interviewees

Dr Penelope Hawkins, CE of Feasibility (Pty) Ltd, short interviews and completed electronic questionnaire, 11/2/2013 and 19/2/2013.

Ms Lebogang Selibi, NCR Media Relations Officer, short interviews, emails and electronic feedback, 5/2/2013, 12/2/2013 & 19/2/2013.