

# State of Ethics, Integrity Management and Fighting Corruption in Gauteng

Presentation by Premier David Makhura

31 May 2022



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PROVINCIAL GOVERNMENT  
REPUBLIC OF SOUTH AFRICA

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# Part A: Introduction and Background



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## The fight against corruption requires courage and resilience

- International experience and our own local experience confirm that winning the battle against corruption is never going to be easy. It is like fighting narcotics and human trafficking. There are many chilling stories and tragedies. Babita Deokaran was killed cold blood for opposing corruption in the Gauteng department of Health and Atholl Williams are forced into hiding. Many other officials have been killed other suspicious circumstances because they fought and stood for what is right and lawful.
- The chilling story of the Kenyan anti-corruption buster, John Githongo, is told in book by Michela Wrong, "It's Turn to Eat". Former Nigerian Finance Minister and current WTO DG, Dr Ngozi Okonjo-Iweala, also published her own book, "Fighting Corruption is Dangerous", detailing the pushback, intimidation and suffering she had to content with in her effort to put counter-corruption systems and measures in Nigeria during her tenure. Not only do we need courageous individuals, we also need resilient institutions and a mobilised civil society in order to succeed against corruption.
- The COVID-related corruption incidents and the outcomes of the Commission on State Capture tells the truth that the state and society need a more systematic, nation-wide, well-coordinated, properly-resourced, multi-stakeholder, multi-agency and inter-governmental, crackdown on corruption and protect whistle blowers. This should include a set of institutional reforms and training programmes that will improve the ethical culture and control environment in public institutions and private sector. Those who profit from unlawful and corrupt dealings will also do everything to frustrate any national anti-corruption effort in defence of their ill-gotten gains that feed their avaricious and ostentatious lifestyles.



## Fighting Corruption must be part of the Development Plan

- The Provincial Development Plan of the Gauteng City Region, **Growing Gauteng Together Vision 2030**, is premised on the imperatives of **Transformation, Modernisation and Re-industrialisation (TMR)** programme to create an inclusive and sustainable future for all the residents. This is based on the National Development Plan.
- It must be understood that promoting ethics and integrity and fighting corruption is an integral of the transformation and development agenda of our country and province. Corruption diverts resources away from the development agenda to few individuals.
- Over the past five years, the Gauteng Provincial Government has been implementing a series of public sector reforms to institutionalise ethics and integrity and counter the corrosive culture of corruption and malfeasance in the handling and utilization of public resources.
- This Report gives an overview of the implementation of the various pillars and elements of the Integrity Policy Framework and Anti-Corruption Strategy. What are the pillars of the Gauteng Anti-Corruption Strategy and Integrity Management Policy? What collaboration and partnership is being built with other institutions and agencies promote good governance? What specific actions promote an ethical culture and fight corruption?



## Values of Integrity, transparency and accountability

- **Integrity, transparency and accountability** are key drivers of positive public perceptions of government and other institutions.
- **Corruption, maladministration, abuse of power and poor service delivery undermine development outcomes and further contribute to loss of public confidence and shift public resources away from the development and advancement of society** to enrich few individuals.
- The most sustainable and effective approach to dealing with corruption is to introduce systemic **reforms** aimed at **institutionalising integrity** and create a new **ethical culture that promotes good governance, ethical leadership, transparency and accountability**, while preventing, detecting and **punishing fraud, corruption and abuse of power**.



## Re-building institutions, partnerships and collaboration to fight crime

- President Cyril Ramaphosa Cyril Ramaphosa has been rebuilding the crime-fighting and corruption-busting agencies of the state and promoting the necessary societal partnerships that will ensure that our democratic ideals and development goals are not undermined by the spectre of corruption.
- The Gauteng Provincial Government has drawn a lot of lessons in the work of promoting integrity and clean governance in the period when state capture was wreaking havoc in our country.
- This Report serves to demonstrate the **tangible actions** that have been taken by the Gauteng **Provincial Government in promoting good governance**, in collaboration with other institutions and agencies such as the **Special Investigating Unit, Office of the Public Protector, Auditor General of South Africa, Public Service Commission, Law Enforcement and Security Agencies**.
- This report also highlights the work we have been doing to institutionalise integrity, as well as prevent, detect, investigate, and resolve criminal acts within the civil service.

# National Guidelines

National guidelines	
<b>Constitution of the Republic of South Africa, 1996</b>	Section 195, stipulates that those entrusted with public resources should ensure that their processes are informed by the democratic values and principles
<b>National Development Plan</b>	<p>The NDP further suggests that overcoming corruption and the lack of accountability in society requires:</p> <ul style="list-style-type: none"> <li>• Political will;</li> <li>• Sound governance arrangements;</li> <li>• Solid legal foundation; and</li> <li>• Active citizenry that holds public officials accountable</li> </ul>
<b>Public Service Regulations, 2016</b>	<p>Chapter 2 of the PSR (2016) contains the following key sections:</p> <p>Part 1 of Chapter 2 – provides the Code of Conduct for the Public Service which is a useful guide in the promotion of good governance and ethical conduct of public servants. It promotes honesty and integrity in the workplace.</p> <p>Part 2 of Chapter 2 – guides on the process of financial disclosures by public servants.</p> <p>Part 3 of Chapter 2 – deals with anti-corruption and ethics management in the Public Service.</p>

# Provincial Guidelines

Guidelines	
<p><b>Growing Gauteng Together (GGT 2030)</b></p>	<p>Growing Gauteng Together 2030 (GGT2030), is a plan of action, that will deliver the Gauteng to its desired destination by 2030 by executing <b>7 priorities   28 strategies   160 interventions</b> that will provide significant improvements to the lives of the people. The success of the plan will require a skilled, capable, ethical workforce and supporting initiatives to build a developmental state. Therefore, targeting clean governance and ethical leadership is one of the priorities of the GGT2030 Plan in the Gauteng City Region.</p>
<p><b>Gauteng Governance Roadmap</b></p>	<p>The GCR Integrity Framework and Policy were adopted by the Executive Council, in 2016 – underpinned by the Gauteng Anti-Corruption Strategy. The Integrity Management Framework and Policy seek to change the culture and behaviour of public service, business partners and civil society in building an integrity driven Gauteng City Region.</p>
<p><b>Gauteng Anti-Corruption Strategy</b></p>	<p>The Gauteng Provincial Government has adopted anti-corruption strategies that transcend political boundaries and tackle corruption holistically through prevention, detection, investigation and resolution. The pillars of the strategy are guided by the Minimum Anti-Corruption Booklet (DPSA) as demonstrated below:</p>



## Key priority: Building a capable ethical and developmental state

- One of the key priorities of the 6<sup>th</sup> Administration is **building a capable, ethical and developmental state**.
- A **strong ethical culture is the foundation of clean governance**, and this is created through a **robust ethics programme that sets expectations for acceptable behaviours in conducting business within departments and with stakeholders**. It includes, amongst others, the following:
  - Effective Executive oversight.
  - Strong tone-at-the-top.
  - Senior management involvement.
  - Awareness of ethics policies and procedures.
  - Timely follow-up and investigation of reported incidents.
  - Consistent disciplinary action for offenders.
  - Ethics training, communications
  - On-going monitoring systems.
  - An anonymous incident reporting system.

## Growing Gauteng Together (GGT 2030)

- Growing Gauteng Together (GGT2030), is a plan of action adopted by the 6<sup>th</sup> Provincial Administration in our province as a roadmap to the Gauteng we want by 2030.
- GGT2030 is anchored on 7 priorities, 28 STRATEGIES and 160 INTERVENTIONS to provide **significant improvements to the lives of the people.**
- The Transformation, Modernisation and Re-industrialization of the Gauteng City Region, Revitalisation of the Township Economy and Clean Governance remain the critical policy imperatives that underpin GGT2030.
- **Therefore, targeting clean governance and ethical leadership is one of the priorities of the GGT2030 Plan in the Gauteng City Region.**
- The success of the plan depends a skilled, capable, ethical and developmental that works in partnership with the private sector, civil society and an active citizenry.



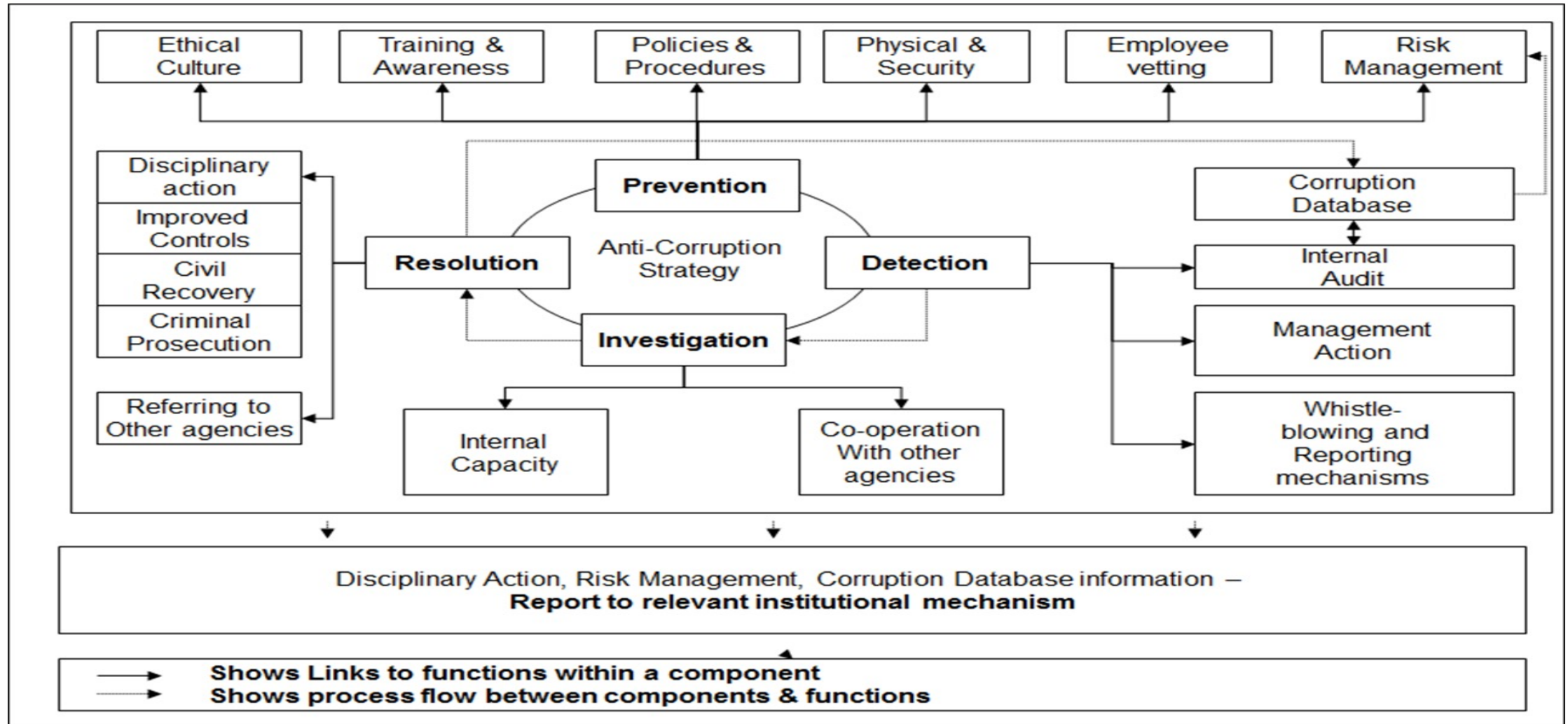
## Building a capable ethical and developmental state

- Building a capable, ethical and developmental state is a guaranteed way of not only delivering basic service to the people but is also an ideal way of ensuring efficient, effective and sustainable governance.
- The Gauteng Provincial Government aims to achieve under its plan of action of Growing Gauteng Together 2030.
- The Office of the Premier and the Provincial Treasury have been the principal champions of clean governance and both departments have demonstrated power and force of example by achieving clean audits for nine consecutive years – from 2012/13 to 2020/21 financial years.
- The 6<sup>th</sup> Administration:
  - Believes strongly in ethical leadership
  - is working hard to cultivate a culture of clean, accountable, transparent and an active citizenry.
  - Systems and processes have been put in place to fight corruption in the province, and these include the establishment of integrity management units in all Gauteng Government departments.
- I want to stress that corruption is responsible for poor service delivery, it degrades the fibre of society and reduces the trust that people have in government.

## Governance Roadmap

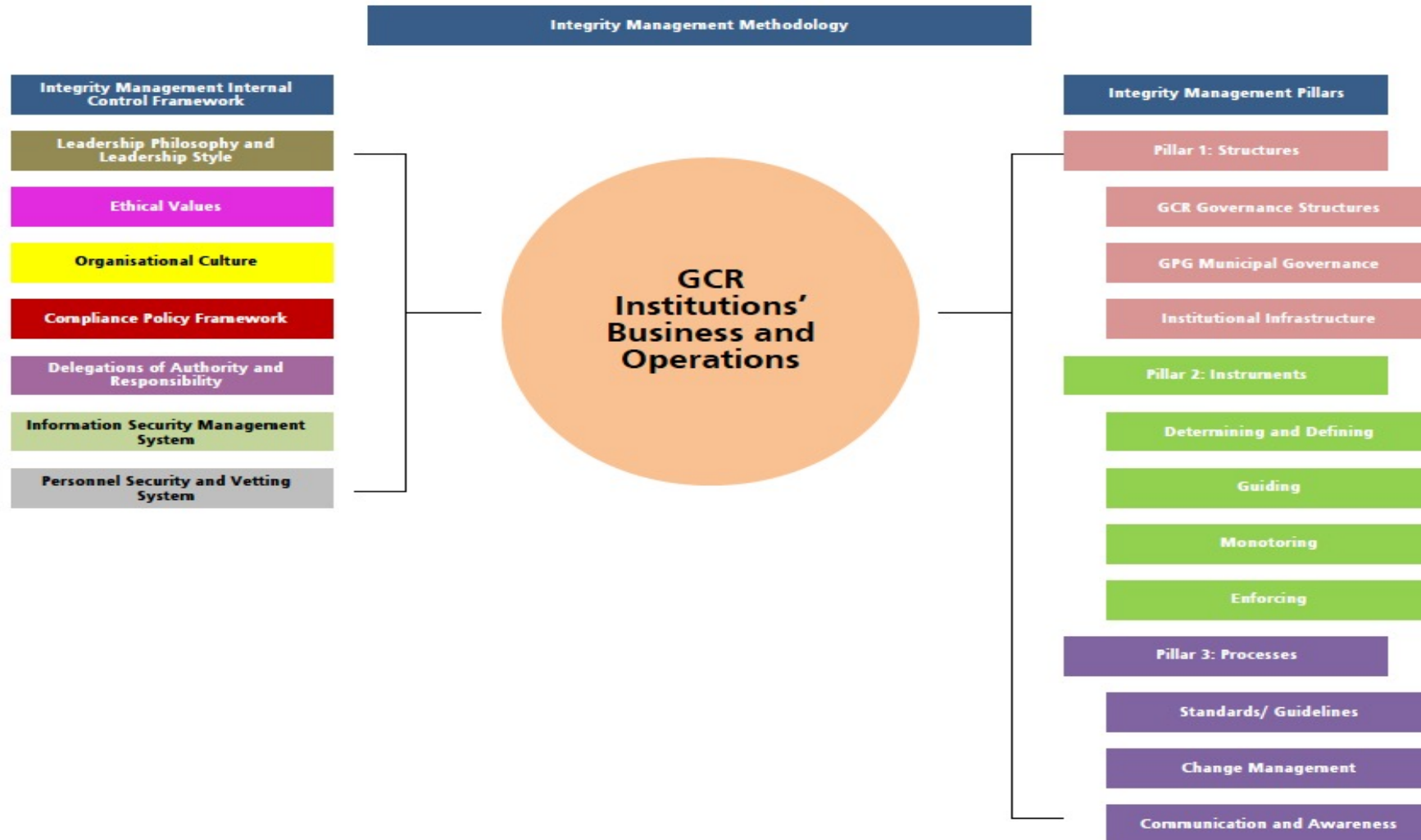
- The Governance Roadmap focuses, amongst others, on improving good governance in the Gauteng City Region: the development of a GPG-wide Integrity Management Policy.
- The GCR Integrity Policy and Framework was adopted, by the Executive Council, in 2016 – underpinned by the Gauteng Anti-Corruption Strategy.
- The Integrity Management Policy and Framework is building the culture of integrity among public officials, public servants, businesspeople and civil society in building an integrity driven Gauteng City Region.
- The Memorandum of Understanding signed with the Special Investigating Unit in 2017 to fast track.
- The Premier appointed a Civil Society-led Gauteng Ethics Advisory Council (GEAC) to drive building an ethical culture in the GCR.

# Pillars of the Gauteng Anti-Corruption Strategy





# Integrity Management Methodology





## Gauteng Integrity Management Framework

The purpose of the Integrity Management Framework is to change the culture and create systems that embed ethics and integrity at the centre of all decision-making and implementation processes, by:

- Providing a comprehensive approach to better integrate Integrity Management into strategic decision-making and day to day activities of the Gauteng City Region institutions;
- Providing guidance for the Gauteng Executive Council, Mayoral Committees, Accounting Officers, Accounting Authorities, managers and staff when overseeing or implementing the development of processes, systems and techniques for managing integrity, which are appropriate to the context of the Gauteng City Region institutions;
- Advancing the development and implementation of modern management practices and to support innovation throughout the Gauteng City Region; and
- Contributing to building an ethical workforce and GCR environment that allows for innovation and responsible decision making while ensuring legitimate precautions are taken to protect the public interest, maintain public trust, and ensure due diligence.

## Gauteng Integrity Management Policy

- The Gauteng City Region Integrity Management Policy was adopted by the Executive Council in 2016 with a purpose of giving effect to the Gauteng Anti-Corruption Strategy by setting rules for integrity management in the Province. The policy clearly outlines what is expected of Gauteng Government employees on various issues which include, amongst others, financial integrity, conflict of interest, financial interest disclosures, management of gifts, entertainment, hospitality and other benefits, remunerative work outside public service, nepotism and favouritism and misuse of official information.



# Part B: Strengthening Prevention



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# Outline of the Report

**PART B** Strengthening  
Prevention

**PART C** Enhancing  
Detection

**PART D** Coordination  
and  
Collaboration  
on Forensic  
Investigations

**PART E** Resolution  
and  
Consequence  
Management

## Strengthening Prevention

- **Prevention activities are proactive measures implemented to build a culture of integrity. These include, amongst others:**
  - Leadership setting the tone,
  - Promoting organisational values,
  - Ethics capacity building;
  - Ongoing communication; and
  - Regular fraud and ethics risk assessments with a view to determine policy gaps and areas for improvement.



# Ethics Compliance in Department

Department	Ethics Champion Appointed	Attended Ethics Officer Certification	Ethics Officer Appointed	Ethics Committee	Ethics Risk Assessment	Ethics Strategy/Plan
Agriculture & Rural Development	Green	Green	Green	Green	Green	Green
Community Safety	Green	Green	Green	Green	Green	Green
Education	Green	Green	Green	Green	Yellow	Red
Economic Development	Yellow	Green	Green	Green	Green	Green
e-Government	Green	Green	Green	Green	Green	Green
Health	Green	Green	Green	Green	Red	Red
Human Settlements	Green	Green	Green	Green	Green	Green
Infrastructure Development	Green	Green	Green	Green	Green	Green
Gauteng COGTA	Green	Green	Green	Green	Green	Green
Office of the Premier	Yellow	Green	Green	Green	Green	Green
Roads and Transport	Green	Green	Green	Green	Green	Yellow
Social Development	Green	Green	Green	Green	Green	Green
Sports, Arts, Culture & Recreation	Green	Green	Green	Green	Green	Green
Treasury	Yellow	Green	Green	Green	Green	Green

Chapter 2 of the Public Service Regulations requires Heads of Department to:

- analyse ethics and corruption risks as part of the department's system of risk management;
- develop and implement an ethics management strategy that prevents and deters unethical conduct and acts of corruption;
- implement Ethics Committees and that the Executive Authority must designate Ethics Officers.

**The Table shows levels of compliance with ethics structures and systems** by all departments of the Gauteng Provincial Government as of March 2022.

These include the adoption of an ethics strategy, ethics risk assessment, capacity building of officials responsible for implementation of ethics programmes and the appointment of ethics committees, ethics officers and ethics champions.

Three Departments (Office of the Premier; Treasury and Economic Development, are in the process of appointing new Ethics Champions due to the promotion, transfer, and resignation of Ethics Champions.

This Report indicates that the **Department of Health and Education have to do more work regarding risk assessment and the implementation of the ethics strategy and plans.**



## Submission of Financial Disclosures by SMS

Department	2016/2017	2017/18	2018/19	2019/20	2020/21
Agriculture & Rural Development	100%	100%	100%	100%	100%
Community Safety	100%	100%	100%	100%	100%
Education	90%	100%	100%	100%	100%
Economic Development	100%	100%	100%	100%	100%
e-Government	100%	100%	100%	100%	100%
Health	100%	100%	100%	100%	100%
Human Settlements	100%	100%	100%	100%	100%
Infrastructure Development	100%	100%	100%	100%	100%
Gauteng COGTA	100%	100%	100%	100%	100%
Office of the Premier	100%	100%	100%	100%	100%
Roads and Transport	100%	100%	98%	100%	100%
Social Development	100%	100%	100%	100%	100%
Sports, Arts, Culture & Recreation	100%	100%	100%	100%	100%
Treasury	100%	100%	100%	100%	99%
<b>TOTAL</b>	<b>99,60%</b>	<b>100%</b>	<b>99.9%</b>	<b>100%</b>	<b>99.87%</b>

- The Public Service Regulations (2016), require all SMS members to submit their financial disclosure forms on an annual basis by 30 April.
- Over the past five years, the Premier had set a target of 100% compliance for all departments with regard to the SMS members financial disclosures.
- In the 2017/18 and 2019/20 disclosure periods the province achieved 100% submission of SMS disclosures.
- In 2016/17; 2018/19 and 2020/21 disclosure periods the province did not achieve 100%

## Submission of Financial Disclosures by SMS

- In 2016/17; 2018/19 and 2020/21 disclosure periods the province did not achieve 100% and the reasons for non-achievement are as follows:
  - In 2016/2017, the Department of Education achieved 90% and this was due to system challenges and inefficiencies as the Ethics Officer referred six disclosures forms for internal enquiry, and therefore, these could not be released to the PSC on the due date (31 May). The DPISA subsequently enhanced the system to address the inefficiencies.
  - During the 2018/19 disclosure period, the Department of Roads and Transport achieved 98% and this was due to one official who was incapacitated due to ill health. The official subsequently disclosed.
  - In 2020/21 financial year the Gauteng Provincial Treasury (GPT) including the Gauteng Infrastructure Agency (GIFA) achieved 99%. As at 30 April 2021, all SMS in GPT and GIFA had submitted their financial disclosures. However, due to a technical challenge, one official's disclosure did not reflect on the Department of Treasury system but reflected on the Gauteng Infrastructure Agency system and was not released to the PSC by 31 May 2021. The disclosure was subsequently released.



## Submission of financial disclosures by other designated categories of employees

DEPARTMENT	2017/2018	2018/19	2019/20	2020/21
Agriculture & Rural Development	96.27%	99.40%	100%	100%
Community Safety	100%	100%	99%	100%
Education	33.13%	36.05%	34.90%	43,7%
Economic Development	99.27%	98.58%	100%	100%
e-Government	99.39%	100%	100%	100%
Health	23.39%	25.13%	27.23%	44,1%
Human Settlements	65.70%	93.95%	100%	100%
Infrastructure Development	91.90%	60.19%	88.80%	96,71%
Gauteng COGTA	95.15%	92.3%	100%	97,7%
Office of the Premier	100%	86%	100%	100%
Roads and Transport	100%	86%	97.48%	98,61%
Social Development	98.08%	93.87%	100%	98,1%
Sports, Arts, Culture & Recreation	100%	98%	100%	100%
Treasury	97.2%	91.20%	100%	100%
<b>TOTAL</b>	<b>39.25%</b>	<b>38.30%</b>	<b>40.00%</b>	<b>49.99%</b>

- The Public Service Regulations (2016) empower the Minister of Public Service and Administration to designate other categories of employees to disclose their financial interests.
- Table 3 shows that **other designated categories of employees outside SMS** are not doing too well in financial disclosures, across different departments.
- There has **been a low rate of compliance by other designated categories**, with the **Department of Health and the Department of Education** having compliance rates of **44,1% and 43,7% respectively for the 2020/21 disclosure period**.
- Eight departments have **achieved 100%**
- **Four departments achieved above 96% compliance**.

## Submission of financial disclosures by other designated categories of employees

- The challenges that have been identified regarding the poor submission of disclosures by other categories are as follows:
  - The Department of Health has 14042 officials, and the Department of Education has 3109 officials that are required to disclose.
  - These departments have only one ethics officer in each of these departments, designated to follow up and monitor compliance. The e-Disclosure system is not disaggregated per institution (such as hospitals and districts) which creates a problem in monitoring progress and compliance, by heads of institutions.
- The Office of the Premier has engaged the Department of Public Service and Administration, in this regard.
- The proposal is to have a model wherein each institution has a designated ethics officer and can manage disclosures at institutional level.
- Further to this, these Ethics Officers will be able to coordinate and support the implementation of Ethics Management Programmes at institutional level.





## Remunerative Work Outside Public Service (RWOPS)

Department	No. of application	Approved	In progress	Applications rejected	Deemed Approvals
Office of the Premier	19	19	-	0	0
Treasury	8	8	-	0	0
CoGTA	5	3	-	2	0
Sport, Arts, Culture & Recreation	1	0	-	0	1
Health	1364	1111	183	70	-
Human Settlements	7	4	3	0	0
e-Government	12	12	-	0	0
Social Development	96	22	-	74	0
Roads & Transport	3	0	-	3	-
Education	22	19	3	0	0
Community Safety	4	4	-	0	0
Economic Development	1	1	-	N/A	N/A
Infrastructure Development	29	25	-	4	N/A
Agriculture	10	10	-	0	0
<b>TOTAL</b>	<b>1581</b>	<b>1238</b>	<b>189</b>	<b>153</b>	<b>1</b>

- Section 30 of the Public Service Act states that **no employee shall perform or engage himself or herself to perform remunerative work outside his or her employment** in the relevant department, except with the written permission of the executive authority of the department.

## Remunerative Work Outside Public Service (RWOPS)

- The high number of applications in Health, and Social Development indicates that dedicated capacity is required to manage the process. Departments must ensure that there is no possible, perceived, or potential conflict of interest that may arise because of employee undertaking other remunerative work, that will negatively impact service delivery.
- Noting the high number of applications in the Department of Health and to mitigate the risk of deemed approvals, the Department of Health has **implemented an automated system for the RWOPS process**. Once this process is finalised and tested, the province will consider the province-wide roll-out of the electronic RWOPS system for submission and approval of applications, and management of potential



## Remunerative Work Outside Public Service (RWOPS)

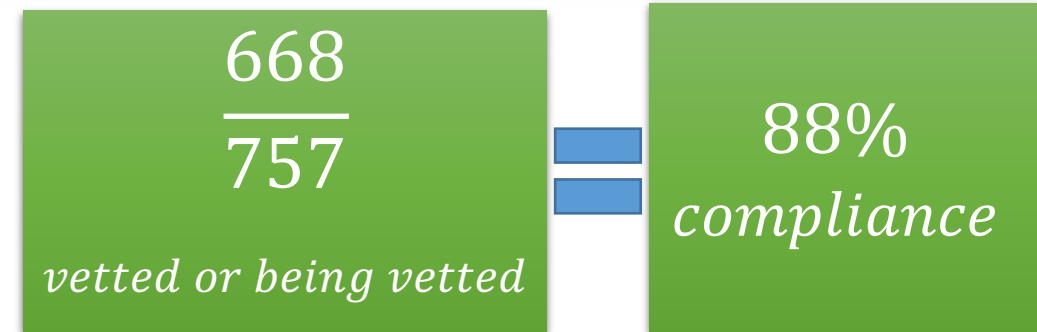
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Treasury	8	8	-	0	0
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Sport, Arts, Culture & Recreation	1	0	-	0	1
Health	1364	1111	183	70	-
Human Settlements	7	4	3	0	0
e-Government	12	12	-	0	0
Social Development	96	22	-	74	0
Roads & Transport	3	0	-	3	-
Education	22	19	3	0	0
Community Safety	4	4	-	0	0
Economic Development	1	1	-	N/A	N/A
Infrastructure Development	29	25	-	4	N/A
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<b>TOTAL</b>	<b>1581</b>	<b>1238</b>	<b>189</b>	<b>153</b>	<b>1</b>

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# Vetting of Senior Management Service members

Department	Total number of filled SMS posts	Total number of vetted SMS members	Total number of SMS awaiting feedback	Total number of SMS who have not yet applied	Denial
Office of the Premier	73	10	60	3	0
Community Safety	21	11	09	1	0
Treasury	59	23	33	3	0
e-Government	36	12	23	1	0
Economic Dev.	44	31	13	0	0
Health	110	03	76	34	0
COGTA	31	24	6	0	1
Roads and Transport	50	33	14	3	0
Sport	31	11	15	5	0
Infrastructure Dev.	64	19	40	5	0
Education	108	34	54	16	4
Agriculture	36	21	13	2	0
Social Development	35	19	16	0	0
Human Settlement	56	12	36	8	0
<b>TOTAL</b>	<b>757</b>	<b>263</b>	<b>408</b>	<b>81</b>	<b>5</b>

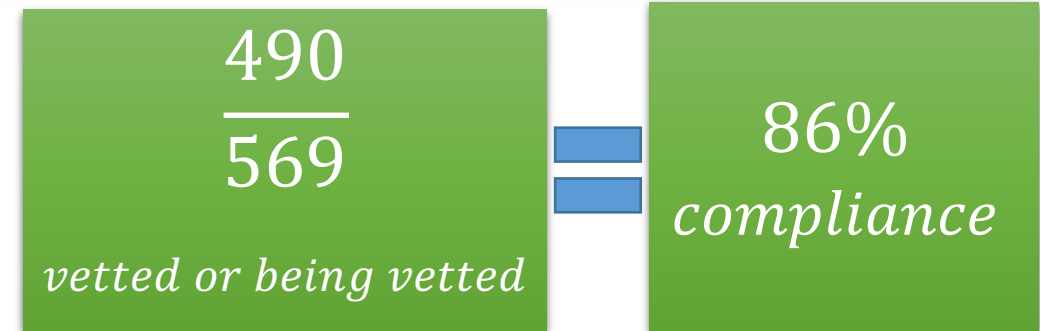


- This is 88% compliance with the SMS handbook on vetting of Managers in Government.
- Of serious concern is the fact that **84 SMS members** were **dragging their feet** on compliance with vetting, thus raising suspicions and eye-brows about possible wrongdoing. **5 (five) applications for security clearance were declined.**
- It is important to underscore the fact that Accounting Officers and Executive Authorities must ensure full compliance with vetting requirement for SMS members in their departments. The 11% of SMS officials who are not complying should be red-flagged and be the first to undergo lifestyle audits.



# Vetting of SCM officials

Department	Total number of filled SCM posts	Total number of vetted SCM officials	Total number of SCM awaiting feedback	Total number of SCM who have not yet applied	Denial
Office of the Premier	29	9	19	1	0
Community Safety	18	5	10	3	0
Treasury	147	54	78	15	0
e-Government	40	27	13	0	0
Economic Dev.	12	11	1	0	0
Health	-	-	-	-	0
COGTA	12	9	3	0	0
Roads and Transport	22	20	2	0	0
Sport	16	5	9	2	0
Infrastructure Dev.	57	36	18	3	0
Education	56	30	16	10	0
Agriculture	35	32	3	0	0
Social Development	105	55	5	45	0
Human Settlement	20	2	18	0	0
<b>TOTAL</b>	<b>569</b>	<b>295</b>	<b>195</b>	<b>79</b>	<b>0</b>



- This Table shows the progress across 13 departments on vetting of SCM officials, as of March 2022.
- 195 of the 490 of are awaiting their results. There is another 79 SCM officials who are yet to submit their application forms and supportive documentation for vetting.
- The Departments of Health, Social Development and Provincial Treasury have the highest risk of non-compliance with vetting.
- Accounting Officers have been directed to take appropriate action against SCM officials who refuse to be vetted, which includes removing such officials from Supply Chain Management processes.

## Lifestyle audits of Members of the Executive and public servants

- The SSA has completed the lifestyle audits of Members of the Executive Council as requested by the Premier, in line with the policy framework developed by President Cyril Ramaphosa. The outcomes of the lifestyle audits will be released separately after due consultations are completed.
- The Department of Public Service and Administration has directed that from April this year, **all public servants will undergo mandatory lifestyle audits** as part of the determination to **root out corruption and malfeasance in government.**
- The lifestyle audits for all public servants will complement and close any loopholes of the current vetting process, which often leaves out officials who are not members of the senior management service. Gauteng provincial government will start the rollout lifestyles audits in all departments in the current financial year.

## Fraud Risk Management Compliance

- Section 38 (1) (a) of the Public Finance Management Act (Act 1 of 1999 as amended by Act 29 of 1999) requires that the Accounting Officer / Authority ensures that the institution has and maintains effective, efficient and transparent system of financial and risk management and internal control.
- Section 3.2.1 of the Treasury Regulations requires that the Accounting Officer/Authority of institutions ensures that a **risk assessment is conducted regularly** and a **risk management strategy is adopted**, which should **include a fraud prevention plan** to be used to direct internal audit effort.
- The **strategy must be clearly communicated to all employees** to ensure that risk management is incorporated into the language and culture of the department or entity.



## Progress on implementation of risk management action plans (2021/2022)

Name of Department	No of Action Plans	% of Action Plans implemented	% of Action Plans in progress	% of action plans not implemented
Community Safety	47	40 (85%)	7 (15%)	0 (0%)
Infrastructure Development	68	57 (84%)	7 (11%)	4 (5%)
Economic Development	58	50 (86%)	5 (10%)	3 (4%)
Social Development	60	48 (80%)	6 (10%)	6 (10%)
e-Government	50	49 (98%)	1 (2%)	0 (0%)
Agriculture and Rural Development	52	45 (87%)	7 (13%)	0 (0%)
Sport, Art, Culture and Recreation	58	40 (69%)	11 (19%)	7 (12%)
Education	50	33 (66%)	17 (34%)	0 (0%)
Office of the Premier	40	37 (93%)	3 (7%)	0 (0%)
COGTA	41	34 (83%)	6 (15%)	1 (2%)
Provincial Treasury	47	43 (92%)	3 (6%)	1 (2%)
Roads and Transport	53	47 (88%)	5 (10%)	1 (2%)
Human Settlements	21	21 (100%)	0 (0%)	0 (0%)
Health	123	73 (59%)	35 (28%)	15 (13%)
<b>Total</b>	<b>768</b>	<b>617 (80%)</b>	<b>113 (15%)</b>	<b>38 (5%)</b>

- Most departments have put in place and are implementing plans to address fraud risks.
- A total of 768 agreed action plans were identified to strengthen internal control measures.
- An average of 80% of the action plans were implemented by 31 March 2022.



## Training and Awareness

- All employees are expected to comply with the Code of Conduct, as stipulated in Chapter 2, Regulation 13 of the Public Service Regulations of 2016.
- A total of 9537 employees in the Gauteng Provincial Government were trained on the Code of Conduct during the 2020/2021 financial year.
- The Office of the Premier, in collaboration with the Gauteng City Region Academy (GCRA) and the National School of Government (NSG), continues to enrol all Assistant Directors, Middle Management Service and Senior Management Service members for the compulsory Ethics course that is offered online. Other employees at lower levels are also encouraged to enrol for the ethics online training programme.
- A total of 742 officials have completed the ethics online course during course of 2020/21.



## Gauteng Municipal Integrity Project

- The Gauteng Municipal Integrity Project (GMIP) seeks to **build capacity** in the Gauteng Provincial Government to **support municipalities** in **improving ethical culture and improving the control environment**.
- The **Gauteng Provincial Government**, jointly with the **Ethics Institute**, **provided support to municipalities in training on ethics and integrity management**.
- Phase I of this training programme was completed and Phase 2 is now underway.
- **During the 2020/2021 financial year, the following were achieved:**
  - Fifteen online capacity building sessions were hosted to empower GPG staff on ethics management in municipalities;
  - One full day face-to face training on how to conduct Ethics Management Maturity Assessments; pre-meeting mentoring, of GPG staff, prior to engagements with municipalities; and
  - Two learning forums in the high-risk areas Human Resources and Supply Chain Management were held virtually.



## Local Government Ethical Leadership Initiative

- The Local Government Ethical Leadership Initiative (LGELI) is a project aimed at facilitating national dialogue on ethical leadership in local government. It is envisaged that the national dialogue will culminate in the development of a governance code that sets out principles and practices for ethical governance and ethical leadership at local government.
- The LGELI is a project is a joint initiative of the Gauteng Provincial Government, the Ethics Institute, the Moral Regeneration Movement and the South African Local Government Association. It focuses on leadership conversations and actions to address moral fibre of society and ethical foundations of leadership as well as the factors that give rise to moral and ethical decline in society.

## Gauteng Ethics Advisory Council

- The Gauteng Ethics Advisory Council was appointed in 2017 to serve as both an ethics advisory panel as well as a civil society anti-corruption watchdog. The panel has done a great deal of work strengthening prevention and detection measures and carrying out training and anti-corruption advocacy work.
- GEAC will release its own separate Public Report on Ethics and Integrity in Gauteng.
- The GEAC will:
  - Undertake major anti-corruption drive.
  - To oversee the resolution of the allegations of corruption related to COVID-19.
  - To monitor the implementation of the strategies as EXCO resolved in response to the Report of the GEAC.
  - To facilitate the review of the Gauteng Anti-Corruption Strategy. This will be in line with the National Anti-Corruption Strategy.

# Part C: Enhancing Detection



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## Enhancing detection

- This pillar of anti-corruption strategy, focuses on how to **detect and prevent officials from doing business with the state**, taking swift management action against corrupt activities, creating safe whistleblowing and reporting mechanisms as well as deploying vetting and lifestyle audits again as measures to detect potential wrongdoing
- Successfully detecting, investigating and resolving corruption cases also serves as a powerful deterrent to people considering corrupt activities – if people know that they will not get away with corruption they will be less likely to get involved in it.
- The Leadership Management of government departments need to regularly and practically demonstrate that fighting corruption is the responsibility of every employee within their organisations. Management should participate in relevant training and support the implementation of integrity management programmes.



## Officials Doing Business with Organs of State from the PFMA Audit Report 2020/2021

Departments	Trading with Employer	Trading with other Gauteng Department	Trading with other Provincial Departments	Trading with National Departments	Trading with Municipalities	Other State Organs	Total Number of Employees
Community Safety	0	1	0	0	0	0	1
Economic Development	0	1	0	0	0	0	1
Education	2	21	22	14	25	3	87
Health	8	15	20	14	20	0	77
Infrastructure	3	0	1	1	0	0	5
Premier	0	0	0	0	1	0	1
Sport	0	0	2	0	0	0	2
Transport	1	0	0	0	0	0	1
<b>TOTAL</b>	<b>14</b>	<b>38</b>	<b>45</b>	<b>29</b>	<b>46</b>	<b>3</b>	<b>175</b>

Source: Public Service Commission

- In terms section 8(2) of the Public Administration Management Act, 2014 (No. 11 of 2014) and Regulation 13(c) of the Public Service Regulations (2016) government employees are not allowed to conduct business with the state.
- Table 8 shows that the Departments of Education and Health have the largest number of employees who have been detected to be doing business with the state. The relevant executive authorities and accounting officers have been directed to ensure that appropriate action is taken to enforce compliance by opening criminal cases against implicated officials.
- The Office of the Premier will collaborate with the DPSA to ensure **commensurate sanctions and consistent action against officials doing business with the state, across the Departments.**

## Mechanisms to report and follow-up on allegations from whistle blowers

- The **Provincial Forensic Audits Unit** has been **relocated to the Office of the Premier** to give it greater authority and enhance coordination of investigations and consequence management corruption-related matters.
- The Unit analyses all cases received and cases of alleged corruption which implicate officials from the Gauteng Provincial Government departments and entities refers them for forensic investigation by either the SIU or commission private forensic companies. are addressed to the relevant Accounting Officer for their decision and resolution.
- The **National Anti-Corruption Hotline and the Gauteng Ethics Hotline** (a 24-hour toll free platform) **through which alleged acts of corruption are reported by whistle blowers.**
- Since the inception of the National Anti-Corruption Hotline (NACH) in 2005, Gauteng Province received 2161 NACH cases from the Public Service Commission. To date, Gauteng has resolved a total of **2051 cases or complaints (95% resolution rate).**
- **Urgent measures** need to be put in place by the whole-of-government to **ensure the protection of whistle blowers.** The **killing and intimidation of whistle blowers is undermining the fight against the scourge of corruption.**
- The Integrity Management Unit together with the Gauteng Ethics Advisory Council are in the **process of developing the whistle blowing policy and framework** that will include amongst others:
  - systems for protections of whistle blowers from intimidation,
  - victimisation and possible security threats.
- In addition, the policy and framework will address the issue of **collaboration with law enforcement agencies and other institutions on whistle blowers and witness protection programme.**



# Part D: Coordination and Collaboration on Forensic Investigations and Audits



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## Strengthened co-ordination and collaboration for Effective investigations

- The Gauteng Provincial Government has **strengthened coordination and collaboration of various public agencies and private sector institutions** on matters that warrant investigations.
- **Maximum efforts and resources** are put in place to ensure that all **allegations of fraud and corruption receive urgent and utmost attention** of the relevant institutions and agencies so that there is consequence management.
- We now look at, **forensic investigations conducted** by the **Special Investigating Unit** and other institutions that are established by Chapter 9 and 10 of the Constitution of the Republic of South Africa, 1996 i.e., **Public Service Commission, Public Protector, Auditor-General of South Africa, and the South African Human Rights Commission.**



## Special Investigating Unit

- SIU was established to investigate matters, as contemplated in the **Special Investigating Unit and Special Tribunals Act, 1996 (Act No. 74 of 1996)**, **serious malpractices or maladministration** about the **administration of state institutions, state assets and public money** as well as any conduct which may seriously harm the interests of the public
- In 2017, as Premier, I led a joint workshop with the Head of the SIU on how the **two institutions can collaborate in the work of combating fraud, corruption, maladministration, and malpractice** in Gauteng Province.
- The workshop culminated in the **signing of a Memorandum of Understanding** between the Gauteng Provincial Government which provides for the secondment of dedicated personnel to ensure that all **cases that warrant investigations are concluded speedily** and **consequence management results in disciplinary action, recovery of funds, criminal prosecutions.**



## Progress on investigations by the Special Investigating Unit

- **In the past five years, the SIU has dealt with fifteen (15) cases that were referred to by Provincial Government or whistle blowers:**
  - Eight (8) complaints from the Gauteng Provincial Government.
  - Four (4) matters on flagship projects that were implemented by the Gauteng Provincial Government; and
  - Three (3) additional complaints were submitted by whistle blowers directly to the SIU.

## Progress on the investigations by the SIU

Department	Allegation	Status	Outcomes
<b>Department of Agriculture &amp; Rural Development (1)</b>	Alleged irregular expenditure in relation to the appointment, prepayments and non-delivery of goods and services by a service provider.	<ul style="list-style-type: none"> <li>✓ The investigation has been completed. The department is busy implementing the recommendations of the final forensic investigation report and the disciplinary hearings are underway.</li> <li>✓ Further investigation is being conducted through Proclamation (No. R.15 of 2021) published on Government Gazette 44473 dated 23 April 2021.</li> <li>✓ The investigation is at an advanced stage and will be finalised by the end of June 2022.</li> </ul>	<ul style="list-style-type: none"> <li>• Referral to National Treasury to blacklist service provider with legal for review.</li> <li>• Civil litigation approved by Civil Litigation Unit to have contract set aside to the value of – R34 098 962</li> </ul>
<b>Department of Human Settlements (1)</b>	Possible misconduct by officials of the department.	<ul style="list-style-type: none"> <li>✓ The investigation has been completed. The SIU has recommended that this matter should be investigated under a Proclamation.</li> <li>✓ The SIU has subsequently submitted a motivation for a Proclamation. The Premier has signed a letter of support to the Presidency.</li> <li>✓ The motivation for proclamation is with the Department of Justice and the SIU is liaising with them in respect of progress.</li> </ul>	<ul style="list-style-type: none"> <li>• Awaited</li> </ul>
<b>Department of Sport, Arts, Culture &amp; Recreation (1)</b>	Allegations pertaining to maladministration in the department.	<ul style="list-style-type: none"> <li>✓ In progress – SIU has applied for Proclamation. The motivation for proclamation is with the Department of Justice and the SIU is liaising with them in respect of progress.</li> </ul>	<ul style="list-style-type: none"> <li>• Awaited</li> </ul>
<b>Gauteng Department of e-Government (1)</b>	Allegations of irregular appointment process of a service provider.	<ul style="list-style-type: none"> <li>✓ Investigation has been completed and the department is implementing the recommendations of the final forensic investigation report.</li> <li>✓ Criminal case opened and disciplinary action taken against the implicated officials.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 1 official was found guilty, and his employment contract was not renewed by the department.</li> <li>▪ 1 official was not found guilty.</li> <li>▪ 1 official was issued with a warning letter.</li> </ul>

## Progress on the investigations by the SIU

Department	Allegation	Status	Outcomes
<b>Gauteng Department of Health (3)</b>	Possible misconduct by officials.	✓ The final report from the SIU received and has already been used in the disciplinary processes and Special Tribunal.	<ul style="list-style-type: none"> <li>2 officials Resigned.</li> <li>2 officials Dismissed.</li> <li>SIU pursuing civil recoveries in the Special Tribunal.</li> </ul>
	Medico legal claims.	✓ The final forensic investigation report awaited from the SIU. The report will be submitted by the end of June 2022.	<ul style="list-style-type: none"> <li>SIU has motivated to Department of Justice for a National Proclamation.</li> </ul>
	Irregular supply chain management processes related to the procurement of Personal Protective Equipment (PPE).	<ul style="list-style-type: none"> <li>✓ Proclamation (No. R23 of 2020), Published in GG: 43546 of 23 July 2020. Referrals for disciplinary processes were received from SIU.</li> <li>✓ The OoP has appointed a legal firm through the state attorneys to institute the disciplinary processes.</li> <li>✓ Some of the officials have been suspended and some resigned, however criminal cases have been opened against some officials and the assets have been frozen for both officials and service providers.</li> <li>✓ All matters have been investigated and the final report was submitted to the Office of the President in December 2021.</li> </ul>	<ul style="list-style-type: none"> <li>211 Matters investigated against 220 service providers, total value of contracts – R4.7 billion</li> <li>NPA referrals- 45.</li> <li>DC referrals -27</li> <li>Admin Action – 60.</li> <li>Civil litigation instituted to date against 10 service providers to the value of R205 Million.</li> </ul>
<b>Department of Roads and Transport (1)</b>	Allegations related to the supply chain management processes for consulting engineering and safety agent services.	✓ Investigation in progress – The Secondment Agreement commenced on 25 February 2022. The investigation is ongoing.	Awaited

## Progress on the complaints to the SIU

Project	Allegation	Status	Outcome
<b>Bosasa</b>	Contracts awarded to Bosasa and its subsidiaries by all the GPG departments.	✓ The Office of the Premier has just received the final report from the SIU and the report is being processed with the relevant departments.	<ul style="list-style-type: none"> <li>No irregularities were found. Systemic recommendations made in the report.</li> <li>The SIU referred the matter to Independent Directorate to include under the state capture investigation.</li> </ul>
<b>Gauteng Broadband Network</b>	Allegations of maladministration, greed and nepotism related to the implementation of Phase Two of the Gauteng Broadband Network	✓ The Office of the Premier has received the draft report from the SIU and is awaiting the final report.	<ul style="list-style-type: none"> <li>Awaiting final report</li> </ul>
<b>Alexandra Renewal Project</b>	Allegations of maladministration, fraud and corruption related to the Alexandra Renewal Project.	✓ This matter was investigated by the Human Rights Commission, Public Protector and City of Johannesburg Group Forensics.	<ul style="list-style-type: none"> <li>The Public Protector has recommended that the Premier should investigate do a forensic investigation for certain of the issues. Premier has referred those matters to the SIU to review them and decide on appropriate action.</li> </ul>
<b>Gauteng Partnership Fund</b>	Complaints received from two service providers.	✓ The investigation has been completed and GPF is taken action against those implicated. Some aspects of the report are being reviewed to address the legitimate concerns of all parties. The SIU acknowledged the concerns, and the relevant investigators are available as and when required.	<ul style="list-style-type: none"> <li>SIU to submit the outcome of the review</li> </ul>

## Progress on the additional allegations by whistle-blowers to the SIU

The progress for the three (3) additional complaints which were submitted by whistle blowers directly to the SIU is as follows:

Department	Allegation	Status	Outcomes
<b>Department of Infrastructure Development</b>	<ul style="list-style-type: none"> <li>▪ Allegations of corruption and serious maladministration</li> </ul>	<ul style="list-style-type: none"> <li>✓ In progress – SIU has applied for Proclamation. The investigation has been included under proclamation R23 of 2020 and is at an advanced stage.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Awaited</li> </ul>
<b>Gauteng Enterprise Propeller</b>	<ul style="list-style-type: none"> <li>✓ Allegation of corruption and serious maladministration:               <ul style="list-style-type: none"> <li>• tender No. GEP02/MRK – Township Entrepreneur Awards during 2017; and project management services for the Pitching Booster initiative in Sedibeng during 2018.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>✓ The SIU applied for a proclamation which was issued on 01 April 2021 under proclamation R7 of 2021. The investigation is at an advanced stage.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Referrals have been submitted for action by disciplinary action and criminal charges</li> </ul>
<b>Lesedi Local Municipality</b>	Matter which was undertaken pursuant to a Presidential Proclamation.	The SIU has informed the OOP that investigation finalised, referrals and final report is being drafted. The final report is currently under review.	Referrals have been submitted for disciplinary action and criminal charges.



## Financial implications for matters investigated by the SIU

Department	Allegation	Status	Outcomes
<b>Health</b>	The SIU issued referrals / progress reports for the proposed disciplinary action in respect of the investigation into the procurement of PPE by the Gauteng Department of Health during the National State of Disaster.	<ul style="list-style-type: none"> <li>The SIU obtained a court order to freeze the accounts of 39 service providers to the value of R38m linked to an irregularly obtained personal protective equipment (PPE) tender from the Gauteng Department of Health. The matters are currently on the roll of the Special Tribunal</li> </ul>	<ul style="list-style-type: none"> <li>The SIU through the Special Tribunal has to date frozen an amount of R43 million.</li> </ul>
<b>Health / Infrastructure Development</b>	The SIU issued referrals / progress report for the proposed disciplinary action in respect of the investigation into the procurement of PPE during the National State of Disaster – AngloGold Ashanti Hospital	<ul style="list-style-type: none"> <li>The SIU's investigation was finalised and has revealed evidence that points, amongst others, towards 9 officials from Health and Infrastructure Development who allowed fruitless and wasteful expenditure of <b><u>R588 504 235.42</u></b> for goods and services that was supplied by PSP's and contractors – AngloGold Ashanti Hospital. The SIU is assisting the dept. with the disciplinary process. The Civil litigation has been enrolled in the Special Tribunal.</li> </ul>	<ul style="list-style-type: none"> <li>9 x DC referrals made against officials,</li> <li>1 x NPA referral,</li> <li>Civil litigation referred to Special Tribunal to have the contract set aside vale R588 million.</li> </ul>

## Financial implications for matters investigated by the SIU

Department	Allegation	Status	Outcomes																
<b>Education</b>	The SIU issued referrals / progress reports which require disciplinary processes to be instituted against four officials of the Gauteng Department of Education.	<ul style="list-style-type: none"> <li>The Special Tribunal on 10 February 2022 found that the Gauteng Education did not follow proper procurement processes in awarding contracts to 49 service providers worth <b>R219 045 775.10</b>. The SIU seeks to recover all profits made by service providers from the irregular contracts. The SIU is in the process of instituting civil action against the other 221 service providers worth R208 640 467.19.</li> </ul>	<ul style="list-style-type: none"> <li>Disciplinary action taken against four officials and criminal charges against one official.</li> <li>R67 million was frozen by the Special Tribunal</li> <li>Civil litigation against 49 contracts finalised set aside in the Special Tribunal to the value of R219 million.</li> <li>Civil litigation against the 221 service providers have been enrolled in the Special Tribunal to have the contracts set aside value of contracts are R208 Million</li> </ul>																
<b>Social Development</b>	The final forensic investigation reports into the food banks, school uniform and dignity packs	<ul style="list-style-type: none"> <li>The total amount is as follows: <table border="1" data-bbox="1057 849 1643 1106"> <thead> <tr> <th>School Uniform</th> <th>R253 730 167,96</th> </tr> </thead> <tbody> <tr> <td><b>Bokamoso</b></td> <td>R84 365 751,96</td> </tr> <tr> <td><b>Agelang Sechaba</b></td> <td>R245 746 023,04</td> </tr> <tr> <td><b>Dignity Packs</b></td> <td>R106 000 003,80</td> </tr> <tr> <td><b>Fountain Of Life</b></td> <td>R28 496 851,80</td> </tr> <tr> <td><b>Siyabonga Africa</b></td> <td>R193 622 053,32</td> </tr> <tr> <td><b>Carrol Shaw</b></td> <td>R65 421 822,96</td> </tr> <tr> <td><b>TOTAL AMOUNT</b></td> <td>R977 382 674,84</td> </tr> </tbody> </table> </li> <li>The matter was investigated by Bowmans and is currently being investigated by the Hawks.</li> <li>The matter is being reviewed by the SIU to determine whether the SIU could possibly pursue civil recoveries in respect of these matters.</li> </ul>	School Uniform	R253 730 167,96	<b>Bokamoso</b>	R84 365 751,96	<b>Agelang Sechaba</b>	R245 746 023,04	<b>Dignity Packs</b>	R106 000 003,80	<b>Fountain Of Life</b>	R28 496 851,80	<b>Siyabonga Africa</b>	R193 622 053,32	<b>Carrol Shaw</b>	R65 421 822,96	<b>TOTAL AMOUNT</b>	R977 382 674,84	<ul style="list-style-type: none"> <li>SIU Civil Litigation Unit to assess the matter to ascertain whether it qualifies for a Proclamation.</li> </ul>
School Uniform	R253 730 167,96																		
<b>Bokamoso</b>	R84 365 751,96																		
<b>Agelang Sechaba</b>	R245 746 023,04																		
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<b>Carrol Shaw</b>	R65 421 822,96																		
<b>TOTAL AMOUNT</b>	R977 382 674,84																		

## Other proclamations being awaited

The Office of the Premier is also monitoring and supporting the following Proclamations related to the GPG which are being investigated by the SIU:

Institution / Project	Purpose	Proc number and date signed	Outcomes
<b>City of Johannesburg Metropolitan Municipality</b>	<ul style="list-style-type: none"> <li>To investigate serious maladministration in connection with the affairs of the Municipality.</li> </ul>	<ul style="list-style-type: none"> <li>Proc R12 of 2020, Amendment of Proc R17 of 2019 Published in GG: 43074 of 06 March 2020</li> <li>Status: investigation is at an advanced stage.</li> </ul>	<ul style="list-style-type: none"> <li>11 x NPA referrals referred.</li> <li>7 x DC referrals referred to CoJ.</li> <li>1 Civil litigation approved against service provider to have contract set aside value – R11 million.</li> </ul>
<b>Ekurhuleni Metropolitan Municipality</b>	<ul style="list-style-type: none"> <li>To investigate serious maladministration in connection with the affairs of the Municipality.</li> </ul>	<ul style="list-style-type: none"> <li>Proc R5 of 2019, Published in GG: 42204 of 01 February 2019.</li> <li>Status: the investigation is finalised, and the final report is in draft.</li> </ul>	<ul style="list-style-type: none"> <li>1 x NPA referral against 10 individuals for Fraud.</li> <li>1 x DC referral against official</li> <li>2 x Admin Actions</li> <li>Civil litigation against 1 service provider value R1.9 million.</li> </ul>
<b>Gauteng Provincial Department of Health (Mental health care facilities)</b>	<ul style="list-style-type: none"> <li>To investigate serious maladministration in connection with the affairs of the department.</li> </ul>	<ul style="list-style-type: none"> <li>Proc R6 of 2019, Published in GG 42204 of 01 February 2019.</li> <li>Status: the investigation is finalised, and the final report has been issued to the President.</li> </ul>	<ul style="list-style-type: none"> <li>27 x NPA referrals.</li> <li>111 x DC referrals.</li> <li>Systemic recommendations.</li> <li>Civil litigation to the value of R5,4 million instituted.</li> </ul>

## Other proclamations being awaited

The Office of the Premier is also monitoring and supporting the following Proclamations related to the GPG which are being investigated by the SIU:

Institution / Project	Purpose	Proc number and date signed	Outcomes
<b>National and all Provincial Department(s) of Social Development</b>	<ul style="list-style-type: none"> <li>To investigate serious maladministration in connection with the affairs of the departments and improper and unlawful conduct by the employees of the departments.</li> </ul>	<ul style="list-style-type: none"> <li>Proc R18 of 2005, Published in GG: 27468 of 06 April 2005.</li> <li>Status: the investigation is finalised, and the final report has been issued to the President.</li> </ul>	Awaited
<b>Tshwane Metropolitan Municipality: Gauteng Province</b>	<ul style="list-style-type: none"> <li>To investigate serious maladministration in connection with the affairs of the Municipality.</li> </ul>	<ul style="list-style-type: none"> <li>Proc R62 of 2010, Published in GG: 33744 of 08 November 2010.</li> <li>Status: the investigation is finalised, and the final report has been issued to the President.</li> </ul>	Awaited



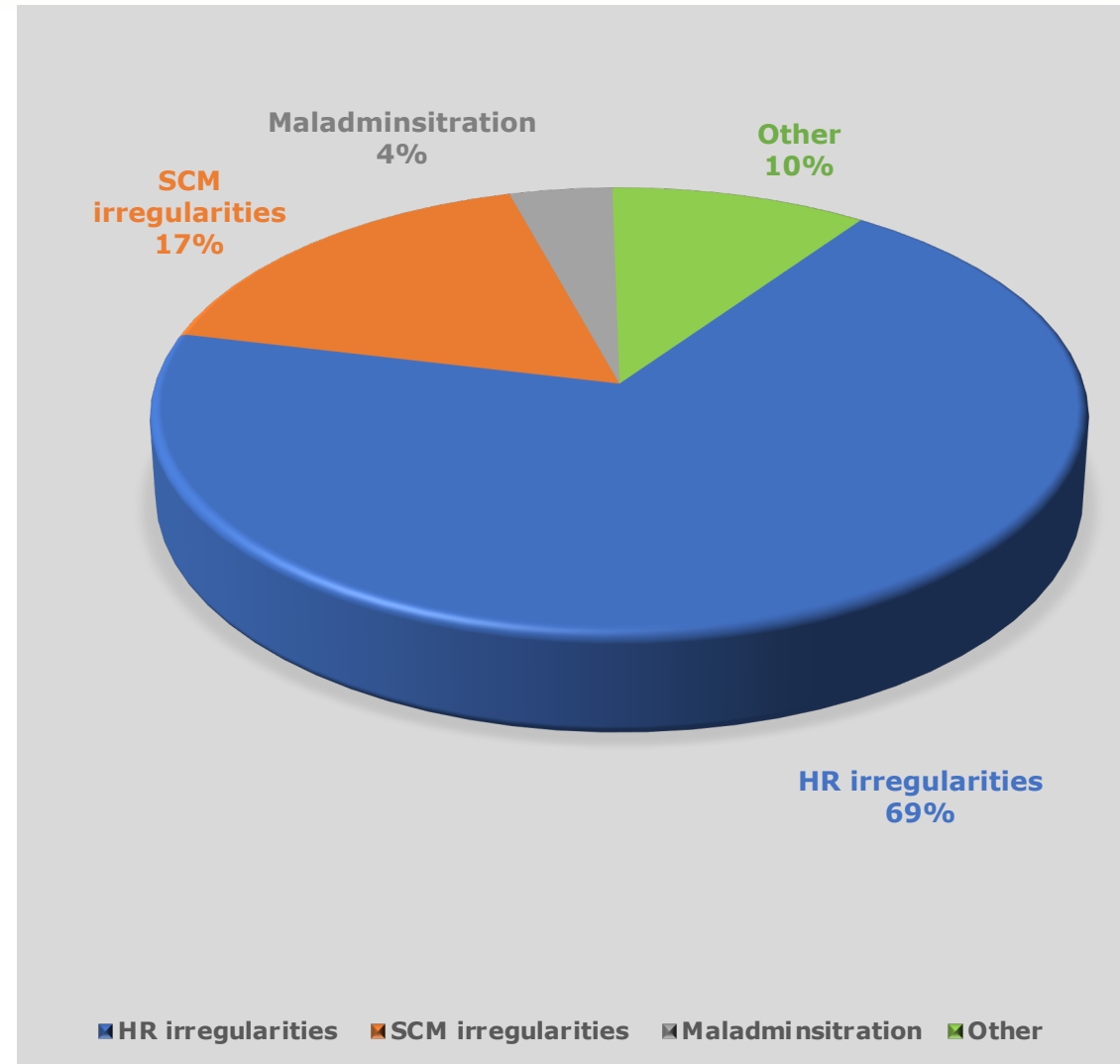
## Progress on number of allegations referred to the PSC

Department	Number of cases	Finalised Cases	Outstanding Cases
Health	49	28	21
Education	11	8	3
Agriculture	4	3	1
Infrastructure Development	6	6	0
Sport	3	3	0
e-Government	7	3	4
Social Development	4	3	1
Human Settlement	3	3	0
Economic Development	4	4	0
Community Safety	5	1	4
Roads and Transport	3	3	0
Office of the Premier	3	0	3
Treasury	-	-	-
Gauteng COGTA	-	-	-
<b>TOTAL</b>	<b>102</b>	<b>65</b>	<b>37</b>

- The Public Service Commission (PSC) is established by the Constitution of the Republic of South Africa, 1996, as one of the institutions to strengthen the oversight role of the legislatures over the Executive.
- The Office of the Premier has **worked very closely with the PSC** in dealing with public complaints and allegations pertaining to matters of public administration.
- There are **102 allegations** which are related to the Gauteng Provincial Government departments that are investigated by the Public Service Commission.
- Of the 102 allegations, **65 have been resolved** and investigations for **37 allegations are still ongoing**.

## Progress on number of allegations referred to the PSC

- The Gauteng Department of Health has the highest number of cases that are being investigated by the Public Service Commission.
- The PSC has made specific observations and recommended remedial action on matters affecting various Departments of the Gauteng Provincial Government:
- As illustrated in Diagram 3 (right), most of the cases pertain to human resource management irregularities (69%) and supply chain management or procurement irregularities (17%).





## Office of the Public Protector (PP)

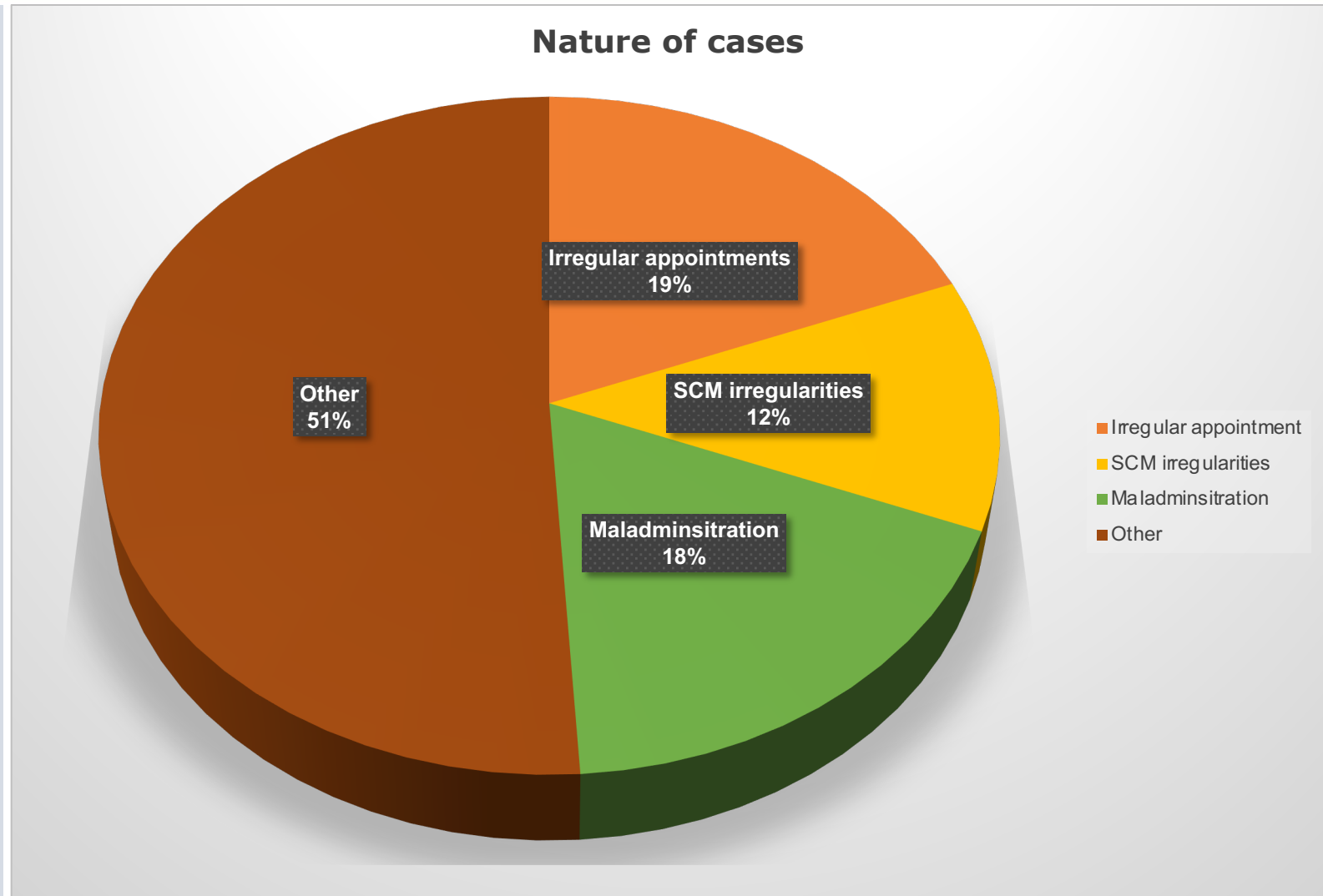
Department	Number of cases	Finalised Cases	Outstanding Cases
Health	14	4	10
Education	7	0	7
Agriculture	0	0	0
Infrastructure Development	2	0	2
Sport, Arts, Culture and Recreation	0	0	0
e-Government	1	1	0
Social Development	1	0	1
Human Settlement	3	0	3
Economic Development	7	1	6
Community Safety	0	0	0
Roads and Transport	6	0	6
Office of the Premier	0	0	0
Treasury	1	0	1
Cooperative Governance and Traditional Affairs	1	1	0
<b>TOTAL</b>	<b>43</b>	<b>7</b>	<b>36</b>

- The Public Protector is an independent institution established in terms of section 181 of the Constitution, with a mandate to support and strengthen constitutional democracy. The Public Protector has the power to investigate, report and remedy acts of maladministration, abuse of power or improper conduct in state affairs.
- There are **43 allegations** which are related to the Gauteng departments that were lodged with the Public Protector.
- The PP has resolved 7 such matters, while 36 are still under investigation.
- The Department of Health (14), Department of Education (7) and Department of Economic Development (7) and Department of Roads and Transport (6) have the highest number of cases that are being investigated by the Public Protector.
- The **nature of cases** that are investigated by the Public Protector involve allegations of **irregular appointments, Supply Chain Management and maladministration.**

## The nature of cases for GPG departments reported to the Public Protector

The nature of cases that are investigated by the Public Protector involve allegations of:

- Maladministration (18%).
- Irregular appointments (19%),
- Supply Chain Management (12%) and
- Other (51%)







## Number of allegations reported to the Public Protector about municipalities

Municipality	Number of cases	Finalised Cases	Outstanding Cases
<b>City of Ekurhuleni</b>	17	2	15
<b>City of Johannesburg</b>	14	3	11
<b>City of Tshwane</b>	47	7	40
<b>Sedibeng District</b>	1	-	1
<b>West Rand District</b>	1	1	-
<b>Emfuleni</b>	8	-	8
<b>Lesedi</b>	1	-	1
<b>Midvaal</b>	2	-	2
<b>Merafong City</b>	4	-	4
<b>Mogale City</b>	-	-	-
<b>Rand West City</b>	6	2	5
<b>TOTAL</b>	<b>101</b>	<b>15</b>	<b>86</b>

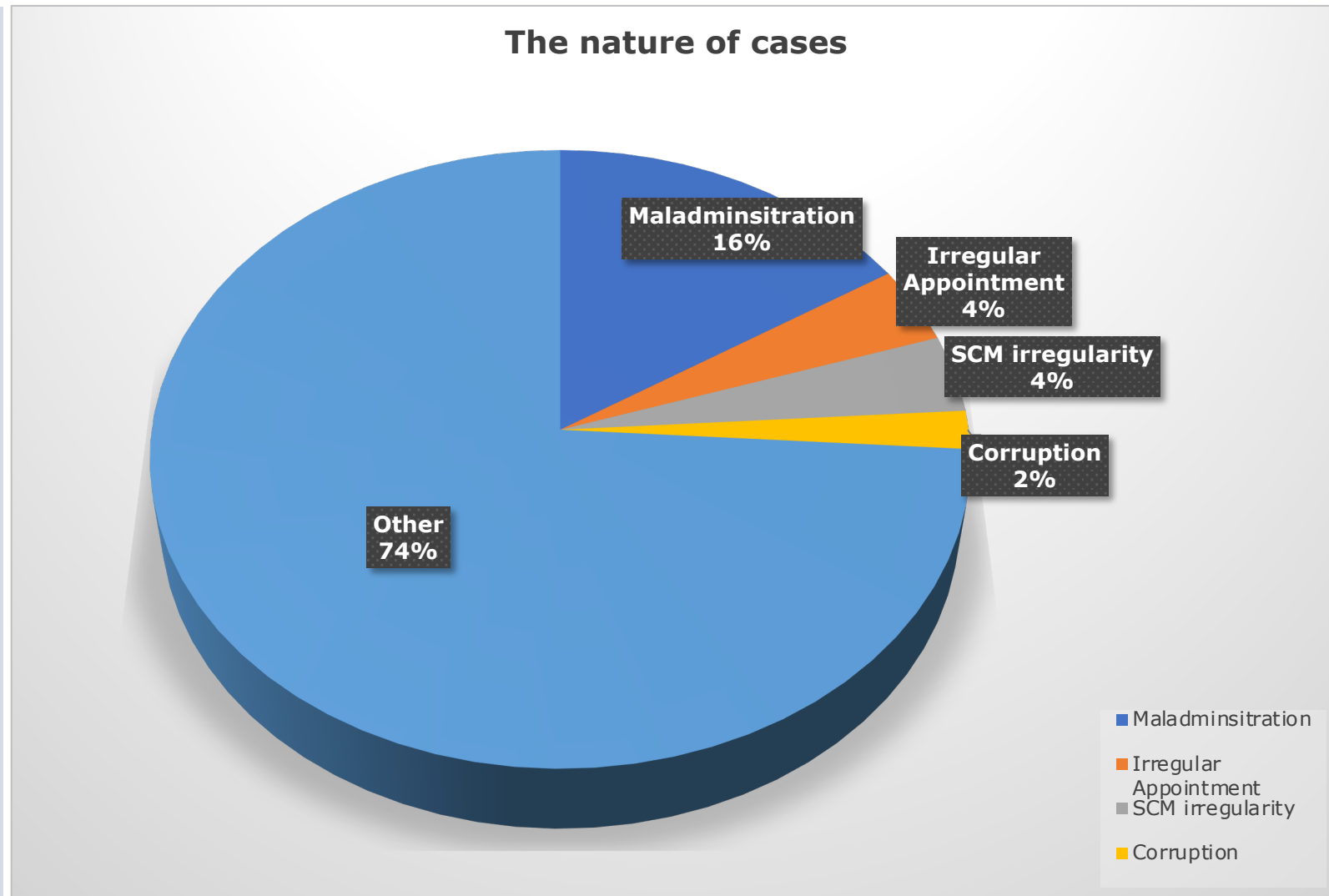
There are 101 allegations which are related to the Gauteng Municipalities that are investigated by the Public Protector. Of these:

- 15 have been resolved
- 86 matters are still under investigation.

The City of Tshwane, City of Ekurhuleni, City of Johannesburg and Emfuleni have the highest number of cases that are being investigated by the Public Protector.

## The nature of cases for GPG departments reported to the Public Protector

- The nature of cases reported to the Public Protector for municipalities are:
  - Maladministration (16%),
  - Irregular appointment (4%),
  - SCM Irregularities (4%),
  - Corruption (2%),
  - Other (74%)

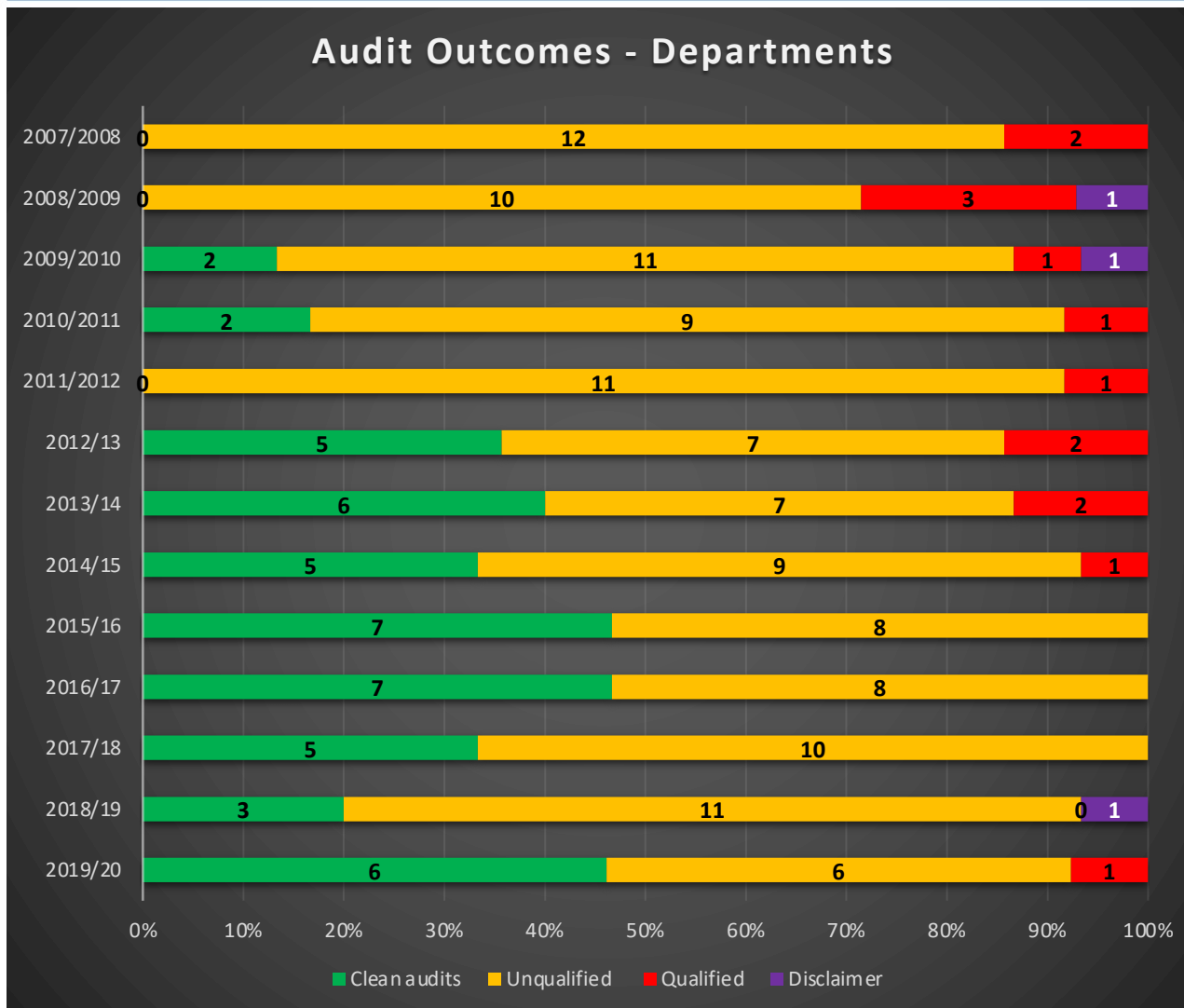


## Auditor General of South Africa

- The Auditor-General is mandated by section 188(1) of the Constitution, 1996 to “audit and report on the accounts, financial statements and financial management of, among others, all national and provincial state departments and administrations”.
- Based on the constitutional mandate of the AGSA, the Office of the Premier and Provincial Treasury work very closely with this Chapter 9 institution.



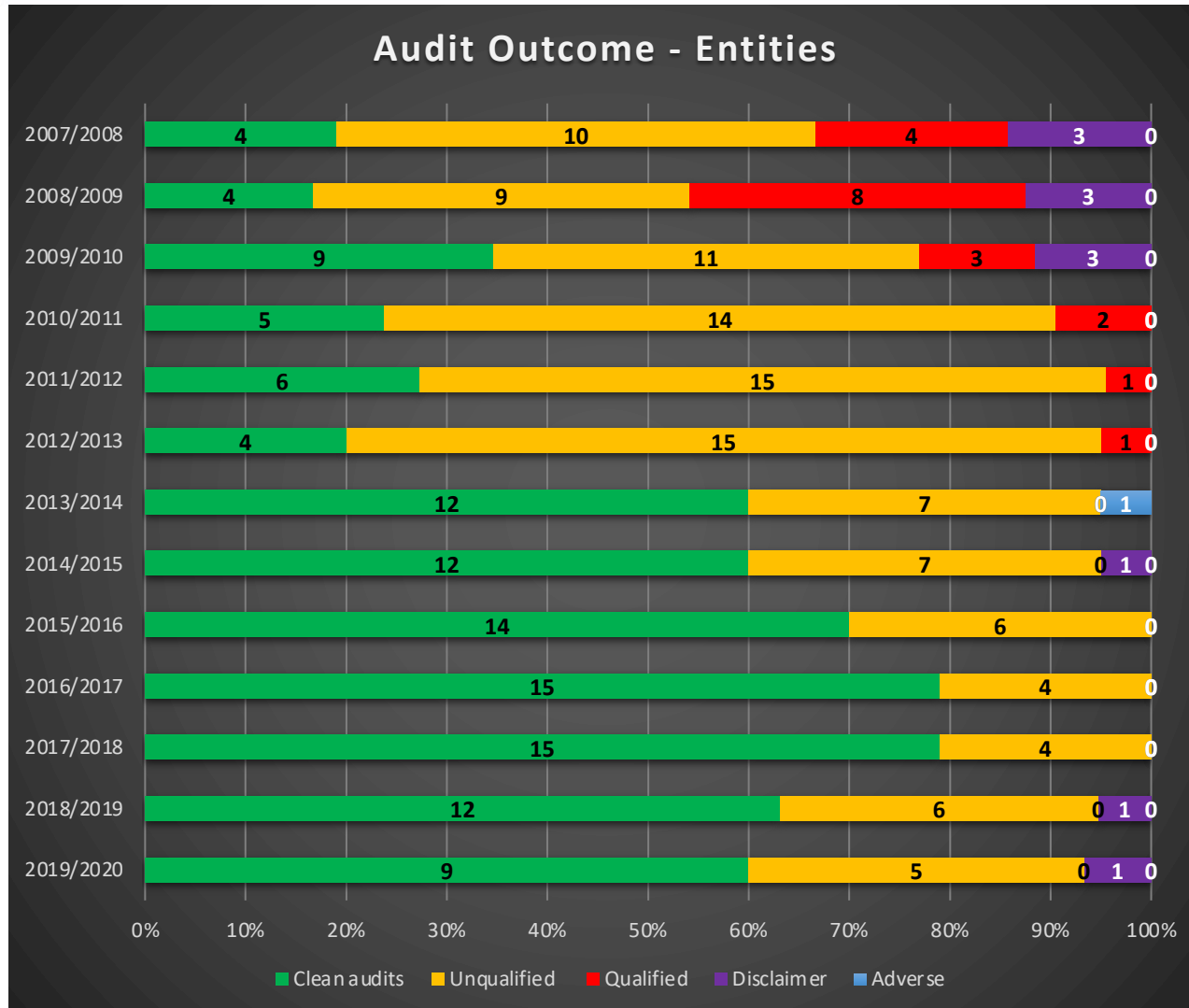
# Audit outcomes: Departments 2007/2008 – 2019/2022



- The graph shows the audit outcomes of the Gauteng Provincial Government departments between 2008/09 and 2019/20.
- The number of clean audits increased significantly between 2013/14 and 2017/18. Thereafter there was some regression.
- The 2019/20 financial year saw some recovery and we hope this will be sustained in the 2020/21 financial year.
- The Office of the Premier, Gauteng Provincial Treasury and the Department of Cooperative Governance and Traditional Affairs have been consistent in attaining clean audit outcomes for eight (8) consecutive years since 2013/14 and we hope this will be sustained in 2020/21.



# Audit outcomes: Entities 2007/2008 – 2019/2022



- The graph shows that the number of entities which attained **clean audits improved from four (4) in 2007/08 to fifteen (15) in 2017/18.**
- Some entities have regressed in the past two years.
- The Executive Council has established a War Room that will pay attention to all matters of sound financial management, clean audits and payment of service providers within 30 days.

## Auditor General: Material irregularity

- The Public Audit Amendment Act, 2018 (No. 5 of 2018) gives the Auditor-General of South Africa (AGSA) additional powers to refer material irregularity to relevant public bodies for further investigations in accordance with their powers, take binding remedial action for failure to implement recommendations for material irregularities (MI) and issue a certificate of debt for failure to implement the remedial action if financial loss was involved
- The AGSA identified MIs at the Gauteng Department of Human Settlements and Gauteng Department of Health. The details of the recommendations, key management commitments and progress as well as the progress on implementation of recommendations



## Provincial Forensic Audits – GPG investigations

- Gauteng Provincial Government established its own internal Provincial Forensic Audits (PFA) Division which was for many years under Provincial Treasury.
- The Provincial Forensic Audits Division was transferred to the Office of the Premier to ensure proper coordination with other agencies referred to in this Report: the SIU, PSC, PP and AGSA on matters requiring investigations.
- The Gauteng Provincial Government War Room on clean governance, clean audits and payment of service providers on time is addressing all these problems.
- The objectives of the War Room include amongst others the development of systems processes and internal controls to improve the financial management environment and to curb fraud and corruption in the supply chain management environment.



## Forensic investigation cases received by the Provincial Forensic Audit

YEAR	Total Received	Analysis	Planning	Execution	Reporting	Finalised		Closed @ Lead	Dept	
						Internally investigated	Outsourced cases		Referred	Finalised
2017/2018	79	-		11	14	26	18	7	3	3
2018/2019	50	-	1	8	11	10	7	13	-	-
2019/2020	57	-	9	5	7	9	9	12	6	0
2020/2021	84	-	12	15	7	2	0	29	19	2
2021/2022	68	15	2	2	4	9	2	8	26	8
<b>Total</b>	<b>338</b>	<b>15</b>	<b>24</b>	<b>41</b>	<b>43</b>	<b>56</b>	<b>36</b>	<b>69</b>	<b>54</b>	<b>13</b>
						<b>92</b>				

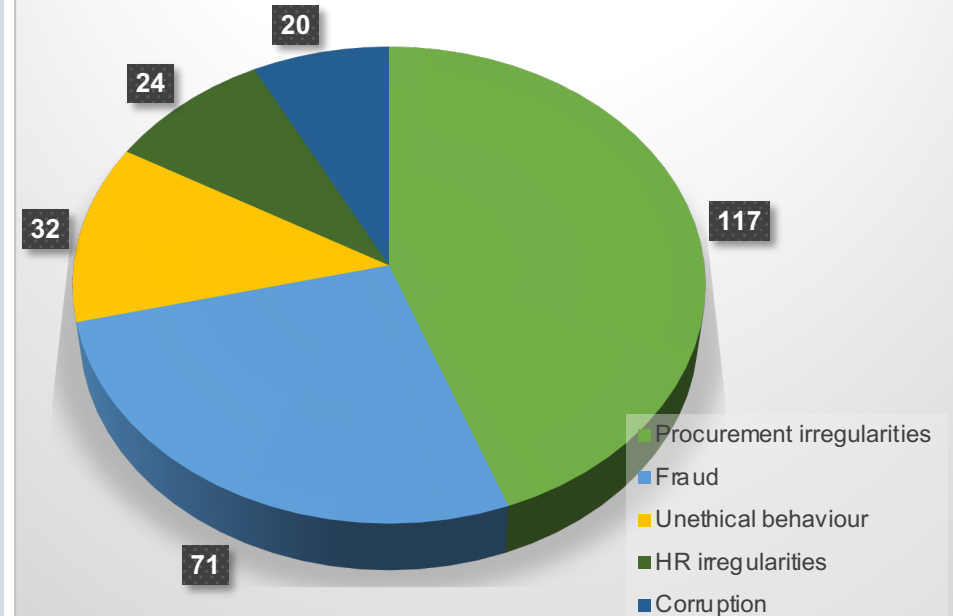
- This table shows the status of GPG forensic investigation cases which have been received by the Provincial Forensic Audits in the past five years (2017/2018 to the 2020/2021).



# Forensic investigation cases received by the PFA

- **Below is the summary of received cases as of 2017/18 up to 31 March 2022:**
  - A total number of 338 requests were received by the Provincial Forensic Audit (PFA) from 2017/2018 financial year up to 31 March 2022.
    - 174 (51%) were finalised;
    - 54 (16%) referred to Departments for investigation;
    - 15 (4,4%) requests are at analysis stage,
    - 24 (7.1%) at planning stage.
    - 41 (12.1%) at execution stage while
    - 43 (13.7%) are at reporting stage.
  - The time it takes to institute forensic investigations and the quality of some of the investigations in relation to consequence management has led to the need to **strengthen coordination and collaboration between various institutions and agencies.**
  - However, Table 18 shows that the Gauteng Provincial Government has been working swiftly to implement any recommendations coming from Chapter 9 institutions and investigating agencies (94% of the recommendations have been acted upon either fully or they are in the process of being implemented).
- **The top five (5) highest number of cases which needed to be investigated are from the following departments:**
  - Gauteng Department of Health – 105 (31%).
  - Gauteng Department of Social Development – 36 (10%).
  - Gauteng Department of Education – 34 (10%).
  - Gauteng Department of Roads & Transport – 32 (9.4%)
  - Gauteng Department of Human Settlements – 39 (12%).

Five (5) top categories in allegations reported



- Based on the chart above, it shows that the majority of the alleged reported cases are on procurement irregularities and fraud.
- The Gauteng Provincial Government War Room on clean governance, clean audits and payment of service providers on time is addressing all these problems.

# Part E: Resolution and Consequence Management



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## Resolution and Consequence Management

Organisations spend a lot of money conducting investigations and reports are produced with recommendations.

- An investigation is not complete without the implementation of recommendations which are expected to be implemented by the relevant departments and entities
- Recommendations include disciplinary actions to be taken against officials, opening of criminal cases, recovering of monies lost by the state, strengthening internal controls
- Conducting forensic investigation for alleged cases of corruption, fraud and maladministration is necessary but insufficient if not followed by rigorous action correct lapses in the control environment and bring perpetrators of wrongdoing to book.
- Another vital consideration is that the resolution of cases brings credibility to the anti-corruption process. Citizens can only trust the call to fight corruption when they have evidence that not only are complaints investigated, but disciplinary action is also taken and criminal charges are brought against those implicated



## Implementation of Forensic Investigations Recommendations

- The Provincial Forensic Audits Division continues to track the implementation of recommendations on a quarterly basis and it also assists departments with opening criminal cases on matters investigated internally and externally
  - **1199 recommendations were made from various investigation reports issued between 2017/2018 to 2021/2022 financial year**
  - **A total of 1126 (94%) recommendations have received the attention of the relevant government departments and agencies: 744 recommendations have been implemented fully and 382 are in the process of implementation. Only 6% (73) are not yet implemented**
  - **The Integrity Management Unit and the Provincial Forensic Audits Division have been working with all departments and agencies to ensure that remedial action is implemented, including disciplinary processes, criminal charges and civil claims to recover funds**
  - **The Premier continuously engages MECs and the HoDs on the implementation of proactive steps to prevent, detect, investigate fraud and corruption and administer consequence management**
  - **The Accounting Officers have limited capacity with the implementation of disciplinary actions. The Office of the Premier is assisting Departments with the appointment of presiding officer (external) for disciplinary purpose and opening criminal cases on matters investigated internally and externally.**
  - **The Office of the Premier is currently working with the Asset Forfeiture Unit to determine the cases for civil recovery**



# Implementation of Public Service Commission Recommendations

Department	No of Investigation Reports	RECOMMENDATIONS									STATUS OF RECOMMENDATIONS					
		Total Recommendations for Investigations 65				Financial Implications					Implemented 21				In progress	Not Implemented
		Internal Control	Criminal Cases	Civil Cases	Disciplinary Cases	Amount to be recovered	Type of expenditure			Amount Recovered/ Paid	Internal Control	Criminal Cases	Civil Cases	Disciplinary Cases		
							Unauthorised	Irregular	Fruitless & Wasteful							
GDE	1	3	-	-	-	-	-	-	-	-	3	-	-	-	-	-
GDED	1	1	-	-	-	-	-	-	-	-	-	-	-	-	-	1
GDARD	1	6	-	-	4	-	-	-	-	-	2	-	-	0	2	6
e-Gov	1	1	0	0	1	-	-	-	-	0	1	0	0	1	0	-
GDH	10	24	-	1	10	-	-	-	-	-	7	-	0	0	10	18
GSD	1	3	-	-	-	-	-	-	-	-	3	-	-	-	-	0
GDID	2	2	-	1	2	To be determined	-	To be determined	-	0	2	-	0	2	-	1
GDSACR	1	1	0	0	5	-	-	-	-	0	0	-	-	0	6	0
<b>TOTAL</b>	<b>18</b>	<b>41</b>	<b>0</b>	<b>2</b>	<b>22</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>18</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>18</b>	<b>26</b>

## Implementation of Public Service Commission Recommendations

- There are 65 recommendations from the 18 final investigations reports issued by the Public Service Commission to the Gauteng Provincial Government departments.
- A total of forty-one (41) recommendations are for improvement of internal controls, two (2) recommendations are for civil recovery and twenty-two (22) recommendations are for disciplinary cases.
- Of the 65 recommendations, 21 are fully implemented and 18 are in progress, making it 41 interventions (60%) to date in implementing the remedial action of the PSC. We have given a clear directive to all accounting officers to implement the remaining 26 recommendations from the PSC.



## Implementation of the Office of the Public Protector Remedial Actions

Department	No of Investigation Reports	REMEDIAL ACTIONS									STATUS OF REMEDIAL ACTIONS					
		Total Remedial Actions for Investigations - 34				Amount to be recovered	Financial Implications			Amount Recovered/ Paid	Implemented - 27				In progress	Not Implemented
		Internal Control	Criminal Cases	Civil Cases	Disciplinary Cases		Unauthorised	Irregular	Fruitless & Wasteful		Internal Control	Criminal Cases	Civil Cases	Disciplinary Cases		
Health	4	17	-	-	2	-	-	-	-	-	12	-	-	1	-	6
e-Gov	1	2	-	-	2	-	-	-	-	-	2	-	-	2	-	-
DED	1	4	-	-	-	-	-	-	-	-	3	-	-	-	1	-
COGTA, DHS, DSD	1	7	-	-	-	-	-	-	-	-	7	-	-	-	-	-
<b>TOTAL</b>	<b>7</b>	<b>30</b>	<b>-</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>1</b>	<b>6</b>

There are thirty-four (34) remedial actions from the seven (7) final investigations reports from the Office of the Public Protector on different departments; thirty (30) remedial actions are of internal controls and four (4) remedial actions are for disciplinary cases. Of the 34 remedial actions, 27 remedial actions have been fully implemented and one (3%) remedial action is in progress.

This means more than 80% of the remedial action is receiving government attention. All affected departments have been directed to implement the remaining 6 recommended remedial actions.

# Part F: Conclusion



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## Providing Information and Ensuring Accountability

- This Gauteng Provincial Government Report on the State of Ethics, Integrity Management and Anti-Corruption Work is a humble contribution to a much wider task that must be undertaken system-wide and nation-wide, in line with President Ramaphosa's commitment to stem out the tide of corruption and lay a foundation for a capable, ethical and developmental governance in our country. As the Gauteng government, we know that a lot still has to be done to clean up every government and municipality in our province, and to ensure that the private sector is enlisted to the cause, to stop bribery and corruption.
- The **efforts and initiatives** we have **undertaken** have been in **partnership with the Gauteng Ethics Advisory Council**, the civil society advisory panel on ethics and our own anti-corruption watchdog.
- We have also worked in **partnership with Chapter 9 institutions** whose contributions and relations we value in building an enduring democracy and transformative constitutionalism – **the SIU, PSC, PP, AGSA and SSA.**

## Areas of Intervention and further strengthening

- **Focused approach to instilling values**
  - Gauteng Provincial Government departments must prioritise and intensify the promotion of ethical values as these have a potential to eliminate unethical conduct.
  - **Public servants** will be encouraged to focus on **building trust and nurturing values**.
  - **Trustworthiness of public processes** could result in **openness, competency, integrity and kindness**. There will be a concerted effort to ensure that public servants align their duties to the strategic values, work values and ethical values (conviction about how we treat people). This is in line with Principle 1 of the King VI which require those in management positions to lead ethically and effectively and most importantly, to ensure that their conduct is characterised by, amongst others, integrity and competence.



## Further interventions

- **Continuous capacity building programmes** – There is a need for **continuous building of capacity for prevention, detection, investigation and resolution** of acts of fraud and corruption in the province.
- This provides anti-corruption practitioners with the modern anti-corruption techniques.
- The Office of the Premier will devise different types of **capacity building programmes** targeting all levels of the organisation. The context specific capacity building programmes become relevant for changing the culture of organisations. These will include, amongst others, the following:
  - Conceptualise and implement ethics webinars
  - Values-based leadership training
  - Leadership dialogues to promote openness and transparency
  - Training in ethical decision-making
  - Implement quizzes and newsletters
  - Promote ethics stories writing and sharing
  - Collaborate with GCRA and NSG to implement Code of Conduct training
  - Conduct Leadership style assessments

## Further Interventions

- The **tone at the top plays a crucial role** in building and sustaining an ethical organisational culture. The Office of the Premier is considering using international agreements to **identify coaches and mentors for Members of the Executive Council and Heads of Department.**
- **Conduct ethics risk assessments** – ethics risk assessments provide an understanding of the areas for improvement in the ethics programmes of organisations. It may assist with the following:
  - Proactively implement controls to mitigate risks and compile context specific ethics strategies.
  - Conduct ethics maturity assessments.
  - Conduct ethics surveys.
- **Collaboration with other public sector agencies** – the Office of the Premier will continue to formalise **collaboration, consultation, mutual support and co-operation** with **public sector institutions like SIU, PP, PSC, NPA/AFU, DPCI, FIC** etc. The partnership with these institutions serves to **strengthen and formalise a relationship between the parties to speedily combat and eradicate fraud, corruption, maladministration and malpractice** in the Gauteng Province.
- **Protection of whistle blowers** – GPG and national government to put in place a funded programme to protect and incentivise whistleblowing.

## Further interventions

- Holding **Members of the Executive Council and Heads of Department accountable and publishing annual** progress reports from departments in the implementation of ethics and anti-corruption programmes, **progress in the implementation of recommendations from AGSA, Internal Audit and the Audit Committee, and setting the tone of zero tolerance to corruption** and adherence to good governance principles.
- Immediate implementation of Lifestyle audits for public servants in partnership with the DPSA by rolling out the initial phase in Human Settlements and DSACR to cover all departments and municipalities in Gauteng in the 2022-2024 period.
- Strengthening a results-driven collaboration with the SAPS, NPA and Asset Forfeiture Unit to ensure successful prosecutions and recovery of funds back to the state coffers.
- Inclusion of ethics and integrity standards and anti-corruption measures in the APPs of officials and delivery agreements of executive authorities.

# Tracking implementation through the following structures

## **Gauteng Audit Committee**

- The Gauteng Audit Committee is an independent governance structure & operates independently, supported and endorsed by the Executive Council. The primary purpose of the Audit Committee is to transversally assist management of departments to fulfil its oversight responsibility. The Audit Committee is also responsible for key ethics functions such as reviewing process of whistle blowing and procedures for detecting and preventing fraud as well as considering the forensic investigation reports from the Provincial Forensic Services.
- The work of the Gauteng Audit Committee involves among others, monitoring the integrity of the GPG departments' financial statements and reporting system, ensuring that departments comply with legal and regulatory requirements and monitoring compliance with ethical standards, including the maintenance of preventive fraud controls.

## **Gauteng Ethics Advisory Council**

- The GEAC is responsible for, amongst others, monitoring trends in integrity and corruption and the adequacy and effectiveness of initiatives undertaken by the Premier and the Executive Council. The outcomes of this monitoring exercise by the GEAC and all its other programmes is reported biennially on its "*Report on the state of ethics, integrity and clean governance*" in the Gauteng City Region.
- The greatest strength of this exercise is that it is prepared by an independent civil society-led structure and is solely focusing on reporting to the public about various initiatives undertaken to address the scourge of corruption in Gauteng.

## Tracking implementation through the following structures

### **Provincial Anti-Corruption Coordinating Committee**

- The Provincial Anti-Corruption Coordinating Committee (PACCC) comprises senior anti-corruption practitioners, Ethics Officers and investigators from the Gauteng Provincial Government departments. The committee meets quarterly and serves, amongst others, as a podium for information sharing on anti-corruption and fraud initiatives relating to prevention, detection, investigation as well as prosecution. All the Ethics Officers are expected to submit quarterly progress reports on the progress implementation of ethics and anti-corruption within their respective departments.
- This report serves to confirm that it is indeed an on-going priority of the Gauteng Provincial Government to institutionalise integrity within the system of government as a way of mitigating and fighting corruption. This includes building a culture of positive values and ethics across the system of government, strengthening institutional transparency, accountability and ensuring that Gauteng Provincial Government institutions receive clean audits and meet their targets.

## Thank you.

- We thank members of the GEAC, Chapter 9 institutions and civil society organisations for their patriotic duty and contribution to the fight against corruption in our province.