

***ANTI-CORRUPTION  
STRATEGY  
OF  
THE LIMPOPO PROVINCIAL  
GOVERNMENT***

DRAFT

COMPILED BY  
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***LIMPOPO PROVINCIAL GOVERNMENT  
ANTI-CORRUPTION STRATEGY***

## 1. INTRODUCTION

1.1 The Provincial Government established the Anti-corruption unit to wipe out fraud and corruption in the provincial government. In November 1998 ,the Provincial Government launched the offensive against corruption by making available, a toll free number for use by members of the public to report any suspected cases of Fraud and Corruption.

1.2 The Provincial Government appointed Fraud and corruption prevention officers whose responsibility is to investigate complaints and allegations on fraud and corruption to enable the Government to take swift and decisive action against those who are guilty of corrupt practices.

The Anti-corruption unit has the objective of monitoring, evaluating and providing support to the departments in dealing with corruption. In order to realize the above-mentioned objective, the Unit conducts investigations and trend analysis on reported and detected corruption incidents compile reports and submit them to relevant departments for appropriate action.

1.3 Though the unit was established in 1998 ,it has aligned its functioning in line with the Public Service Anti-corruption strategy as approved by Cabinet during January 2002 which requires the establishment of minimum anti-corruption capacity. The unit is established as a shared anti - corruption capacity within the Provincial Government .

1.4 Since its establishment the Anti-corruption Unit has received information where irregular activities of corruption are reported most of these incidents are reported through the toll free line, which was put in place to encourage feedback from the public. This has proved to be a primary means of detecting corruption and should always remain a sound system of fraud and

corruption control. The toll free has become an effective and vital tool in fraud and corruption prevention.

## **2. OBJECTIVES OF THE LIMPOPO PROVINCIAL GOVERNMENT ANTI CORRUPTION STRATEGY**

2.1 This anti-corruption strategy is:-

2.1.1 in compliance with the Public Finance Management Act which requires that each government department or body design an Anti-Corruption Strategy.

2.1.2 aimed at rooting out corruption from its own organization.

2.1.3 aimed at introducing and developing awareness programmes in respect of corruption within its own ranks.

## **3. DEFINITION AND DIMENSIONS OF CORRUPTION**

3.1 Corruption has posed a lot of problems in having one legally acceptable definition. There has been no universal consensus of what would be the internationally acceptable definition of corruption and as well as of what sorts of conduct should be included or excluded particularly in developing criminal laws or other politically sensitive concepts of corruption. For example, the United Nations, in its anti-corruption Toolkit (2001), proposes the following definition: **“Corruption is an abuse of public power for private gain that hampers the public interest”**. Even then there are issues that are raised by such a definition e.g. whether the definition of corruption should be limited to abuses of public power or harm to public interest and if not, what sorts of private elements should also be included.

3.2 However, in simpler terms and for the purpose of this strategy

*“corruption” is defined as follows:*

**“It is an act of a person in a position who unlawfully seeks, attains or receives a benefit other than his / her salary or allowance in return for doing or abstaining from doing a specific thing expected to do in the performance of his / her duties or influencing another under this definition on behalf of another person.”**

*However, it can be accepted that the elements of corruption are as follows: –*

- a) **Unlawfulness:** The offences of corruption are committed only where there is benefit promised, given, or received corruptly.
- b) **Benefit:** This offence is committed by promising, giving or receiving a benefit of whatever nature which is not legally due.
- c) **Person:** Corruption is committed by any person who is charged with duty. It is not however necessary to establish that he / she has been charged with duty. In many instances the corruptor is also as guilty as the corruptee and they can both be charged with corruption.
- d) **Intention:** The intention to corrupt is basically an element of this offence.

3.3 When one examines **corruption**, it becomes apparent that it is mostly used as a generic phenomenon, if not a collection of these, such as fraud, bribery, extortion etc. to be discussed hereunder. These phenomena are related in various ways bearing in mind the basic dishonesty character that they all exhibit. There is however no single clinical definition which encapsulates **corruption**.

3.4 Various attempts aimed at defining or classifying corruption

for various purposes are largely based on many different perspectives and criteria including the following:

- Moral criteria
- Descriptions of the conduct or behaviour involved
- Models involving conflict of interest, breaches of trust or abuse of principal / agent / client relationships
- Economic, political and administrative models
- Distinctions based on whether the corruption involved public or private sector actors or interests; and on
- Factors such as whether the actors were engaged in an organized crime or more ad hoc forms of corruption.

3.5 Corruption may involve cash or economic benefits, power or influence, or even less tangible interests, and occurs in both government and private sectors, and in democratic and non-democratic governments and societies.

3.6 There are however definitions that are useful in defining corruption that are applied in varying forms from country to country. It is believed that each describes only a portion of the overall problem as they are in accordance with the particular country's cultural, legal or other factors and the nature of the problem. These definitions also vary depending on the background and perspective of the definer and the purpose for which the definition is constructed; e.g.

- Economic or commercial models may focus on trade issues or harm to economic stability
- Legal models tend to focus on criminal offences or areas such as breach of trust.
- Political models tend to focus on the allocation and the abuse of power or influence.

3.7 Having taken into account the prevailing problems posed in finding an internationally acceptable definition of corruption,

most legislatures have chosen not to attempt to criminalize the general phenomenon but to focus, instead, on specific types of conduct as enunciated in paragraph 4.8 hereunder. South Africa has established the Prevention of Corruption Bill which may soon become law.

- 3.8 Specific forms of corruption are clearly defined and understood and are subjected to numerous legal or academic definitions. Many of these are also criminal offences although a widely held view proposes that specific forms of corruption are better dealt with using regulatory or civil law controls.

Some of the more commonly encountered forms of corruption include the following: –

a) **Serious /Grand and Less serious /Petty Corruption**

Corruption that pervades the highest levels of government, leads to a broad erosion of confidence in good governance, its rule of law and economic stability is generally referred to as “**serious or grand corruption**”. At this level corruption can also involve the exchange of money in smaller amounts or minor favours by those seeking preferential treatment or the employment of relatives and friends. This is referred to as “**less serious or petty corruption**”. The most critical difference between “**serious /grand corruption**” and “**less /petty corruption**” is that the former involves the distortion or pervasion of central functions of government such as legal, economic or other policy making, the development and enactment of legislation or judicial independence, whereas the latter develops and exists within the context of established governance and social frameworks.

b) **Active and Passive Corruption**

The terms “active and passive” corruption are used in two distinct senses. Generally in discussing the transactional offences such as bribery, active bribery refers to the party who offers or actually pays the bribe while passive bribery refers to the recipient. In this sense active corruption would include all cases where some positive conduct such as the actual payment and / or acceptance of a bribe having taken place but not cases where a bribe was offered but not accepted or solicited but not paid.

c) **Corruption manifests itself in various forms as indicated hereto below: –**

### **3.8.1 Fraud**

Fraud can be described as a misrepresentation of fact or an act or behaviour by a public servant or any other person or a corporate body to another of providing a benefit that would not normally accrue to such a public servant, other person or a corporate body.

**Example:** An employee who lodges a fictitious claim for services rendered by X in order to collect the amount from the National Prosecuting Authority for the services rendered knowing very well that such services were not rendered and that X is a fictitious person and thus causing actual or potential prejudice to the organization.

### **3.8.2 Extortion**

This is an act involving coercion by the employee on a person or an entity to provide a benefit to such employee in exchange for acting or refraining to act in a particular manner by such employee.

**Example:**The employee threatens to withdraw the tender on the basis of a fabricated tender violation unless the tenderor provides the employee with a motor vehicle.

### 3.8.3 Bribery

The act of Bribery involves the promise, offering, or giving of a benefit that is made by a person to an employee in order that the latter must not carry out his or her decision. This act may vary in its manifestation from an employee, entity, political party to government where a benefit is offered, promised or given which benefit improperly affects the decisions of such political party, entity, government or person.

**Example:**A policeman accepts a cash payment in order not to arrest an offender.

There are other specific types of bribery which include the following: –

- **Influence – peddling**

This is where public officials or other political or government insiders offer to exert influence not available to the outsider. This is distinct from political advocacy or lobbying in that the corrupt individual sells access to or influences on government decision making that he / she only has as a result of public status of office.

- **Offering or receiving improper gifts, gratuities, favours or commissions**

In some countries it is common for public officials to accept tips of gratuities in exchange for their services. Such payments become difficult to distinguish from bribery or extortion as links between payments and results will always develop. In South Africa, Government officials receiving any of gratuities, favours or commissions is obliged to declare such if the value thereof is more than R350 – 00

- **Avoiding liability for taxes and other costs**

Officials who work for or supervise revenue collecting agencies such as tax or customs authorities may be bribed to reduce or eliminate tax amounts or other revenues to be collected or to ignore illegal imports and exports or to conceal, ignore or facilitate illicit transactions for purposes such as money laundering.

- **Bribery in support of fraud**

Payroll officials may be bribed to participate in abuses such as paying non-existent workers or “ghost workers”

- **Bribery to avoid criminal liability**

Law enforcement officers, prosecutors, or other officials may be bribed to ensure that other criminal activities are not investigated or prosecuted or if prosecuted that a favourable outcome will result.

- **Bribery in support of unfair competition for benefits or resources**

Employees responsible for awarding contracts for goods or services may be bribed to ensure that the contracts are awarded to the party paying the bribe and on favorable terms. Where the bribe is paid out of the proceeds of the contract this is commonly known as a “Kick back” or secrete commission.

- **Private Sector Bribery**

This is the bribery of banking and finance officials which has an adverse impact on the economy far exceeding the bribes themselves because of corrupt officials who approve loans which do not meet the basic criteria for security and cannot later be collected.

- **Bribery to obtain confidential or “inside” information**

Employees who are privy to valuable information are often targets of bribery to induce them to disclose the same.

### **3.8.4 Embezzlement**

This act involves theft or misappropriation of resources by person entrusted with the authority and control over such resources.

**Example:**An employee working at the Information Technology section steals computers and sells them to other people.

### 3.8.5 Nepotism

This involves an employee who ensures that his / her family member is appointed to the position at the National Prosecuting Authority or that service level agreements from the National Prosecuting Authority are awarded to his / her family member.

**Example:** The head of the unit appoints his / her brother's child to a position despite the fact that there were more suitable aspirants than the brother's child is.

### 3.8.6 Abuse of Power

This act involves the use of vested authority by the employee to improperly benefit or discriminate against another person or entity.

**Example:** During the interviews but before actual selection of the successful candidate the Head of Department expresses his / her wish that the post be awarded to a particular person.

### 3.8.7 Favouritism

This act involves the provision of services or resources according to personal affiliations e.g. ethnically, politically or religiously as that of the employee.

**Example:** The head of the unit ensures that only people from his / her tribal area are appointed to positions in his / her unit.

### 3.8.8 Insider Trading / Abuse of Privileged Information

The above involves the use of privileged information and knowledge that the employee possesses emanating from his / her office and thus having an unfair advantage to any other person to obtain or accrue a benefit for himself from such information.

**Example:** The National Prosecuting Authority official because his position possesses or has information of the new premises that will be opened. He informs his / her relative to acquire himself/ herself a service level agreement in the premises with a view of selling such acquisition to other people at a higher premium.

### 3.8.9 Conflict of Interest

The employee acts or fails to act in a matter where he / she has an interest as a result of a relationship with the organization, entity or another person having the same interest.

**Example:** The employee awards a contract to a company of which his /her spouse is the owner.

3.9 If follows therefore that understanding corruption requires that understanding which is not only of the individual phenomena but also how they are related and such understanding is critical in developing effective control strategies.

3.10 The above corruption manifestations must not be viewed as exhaustive. The pervasiveness of corruption is manifested in various kinds of different degrees and forms during “business deals” whilst it also manifests itself as personal and political corruption. As

indicated above corruption is a national and international phenomenon hence the reason why the fight against it should be intensified. If it is left unfought it will increase to the extremes and will pose insurmountable problems in the whole world.

#### **4. CORRUPTION PERSPECTIVES**

Whilst corruption seems to be easily identifiable, there are varying perspectives which make it difficult to define it and develop particular strategies. Such perspectives vary from the following: –

##### **4.1 Moralist – Normative Perspective**

This perspective entails that corruption is inherently bad.

##### **4.2 Functionalist Perspective**

This entails that corruption is ever-present in society and always wanted. When the corruption opportunity prevails the society is mostly tempted to participate.

##### **4.3 Public Office – Legalist Perspective**

Legal institutions independent from Government are expected to combat corruption.

##### **4.4 Public Interest – Institutional Perspective**

This entails that institutions shape the individual corrupt behaviour.

##### **4.5 Interest – Maximizing Perspective**

This is a market centred perspective wherein officials convert

political resources into goods needed to initiate and maintain corrupt relations.

#### **4.6 Political Economy Perspective**

In this perspective one finds that the state employs mechanisms for the accumulation of wealth where the indigenous people have no access to the economy outside of the state.

### **5. CONSEQUENCES OF CORRUPTION**

It is well acknowledged that corruption has become globally pervasive and that the fight against the same must be waged fiercely. One, on the other hand, has to look at the damaging effects thereof on the domestic environments of countries. Generally, there can be an identification of four types of costs even though there has been little research done in South Africa on the costs of corruption: –

#### **5.1 Loss of confidence in Public Institutions**

In any country the public entrusts confidence in its political order and institutions. However, if corruption sets in such trust and confidence in the system is lost. This develops to the undermining of the rule of law, contractual and property security, civil order and safety and even the legitimacy on the state or organization.

#### **5.2 Reduction in productive investment and growth**

Internationally, evidence tells that countries with a higher incidence of corruption have lower investment and growth rate and that public safety can be compromised. The costs of corruption are very high in countries that are in need of foreign capital inflows. Widespread corruption compromises the attraction of foreign investors with a long-term contribution to the

development of the country. However, because of corruption one finds those investors who seek quick profit making and they are gone. Once corruption ensues in a country less are the benefits for the recipients and a continued funding is hampered.

### **5.3 Macro-fiscal costs**

These entail the loss of revenue in any form. One also finds excessively high expenditure as a result of corruption on state service level agreements and contracts.

### **5.4 Costs to the public and the poor**

In the public sectors one often finds that the resources have been diverted and do not reach the intended destinations or services because of the bribes that ensue on the way. This makes it difficult in the policy formulation and the service provision. Any abuse of regulatory powers and misprocurements further the imposition of costs in this instance.

### **5.5 Disregard of the Rule of Law**

Legal disputes are no longer resolved in accordance with pre-established rules and open procedures but by bribes paid or threats made to officials. The allocation of State resources or services is determined not in accordance with the needs of applicants but by their ability and willingness to bribe the officials involved and the employment of officials who render services may be contingent on factors other than their competence to do so. When one looks at the private sector, the commercial dealings are no longer conducted in the best interests of the key-decision makers. That is how corruption has become pervasive more so in Government circles, hence the fight against it must be accelerated.

The resume' from the above is that the understanding of the full consequences of corruption is also critical to rebutting the all-too-common belief that corruption is a victimless crime and mobilizing

both public and internal support for anti-corruption measures in the Limpopo Provincial Government is vital. It is important that corruption be understood not just as an economic crime affecting those directly involved in individual cases but in terms of other harms it causes. Corruption is subversive of stable economic structures, good governance, just and practical legal systems and other critical social structures because it replaces the normal rules determining the outcomes of dealings between the individuals, between the individuals and the state and various commercial entities with less formal and less predictable ad hoc rules which may well change from case to case.

## **6. FORMS OF CORRUPTION WITHIN THE LIMPOPO PROVINCIAL GOVERNMENT**

### **6.1 Weaknesses to be addressed**

- No Data Base of corrupt officials
- No statistics etc. on corruption cases in the organization
- Lack of proper management systems to monitor or deal with corruption e.g nepotism both in the local government institutions and the provincial government departments .
- Individual units not working as teams

### **6.2 Strengths of the Limpopo Provincial Government**

- Existence of the anti-corruption unit.
- Human and technical resources.
- Availability of anti-corruption legislation.
- Partnerships with other anti-corruption bodies .

## **7. LIMPOPO PROVINCIAL GOVERNMENT 'S PRINCIPLES OF STRATEGIC FRAMEWORK**

The Limpopo Provincial Government's Anti-Corruption Strategy is informed by the under mentioned principles to enhance the fight against corruption:-

- 7.1 The holistic and integrated approach to enhance the fight against corruption with balanced scorecards on prevention, investigations, prosecutions, internal enquiries and public participation by way of reports and or whistle-blowing as the platform for the strategy.
- 7.2 These strategies are necessary in operating independently but taking regard to the national strategies that are in place particularly for the detection, investigation, prosecution and adjudication of acts of corruption as well as the recovery of the proceeds thereof.
- 7.3 Best practice and conventions.
- 7.4 Dealing with corruption either in administrative or criminal justice system or both if necessary.
- 7.5 Taking regard of the criminal justice system and the Bill of Rights as far as the constitution requires.
- 7.6 This Anti-Corruption Strategy must be seen to be pro-active as well by the support with comprehensive education, training and awareness programmes including the continuous risk assessment.

## **8. LIMPOPO PROVINCIAL GOVERNMENT ANTI-CORRUPTION STRATEGY**

In order that the Limpopo Provincial Government be seen to be in operation and successful in the fight against corruption, the activities mentioned hereunder have to be implemented.

### **8.1 Developing the Ethical Content in the organization**

### **8.1.1 What is the Ethical content?**

The ethical content of the organization can be defined as the extent to which actual organizational context stimulates the personnel to realize the justified and fundamental expectations of the stakeholders and to balance conflicting expectations in an adequate way. The same definition also applies to the employees of an organization to respect the realization of that justified and fundamental expectations of the stakeholders.

## **8.2 Enhancing and strengthening the fight against corruption**

The Limpopo Provincial Government has established a unit that is directly fighting against corruption viz: –

### **8.2.1 Integrity Management Unit (IMU)**

This is an internal unit in the Limpopo Provincial Government with a mandate to: –

- set norms and standards for the organizational and individual behavior
- regulate organizational and individual behavior with a view to ensuring conformity to these norms and standards, and
- to ensure good corporate governance within The Limpopo Provincial Government.

In the execution of its mandate this unit receives reports regarding corruptive behaviors of the employees within the Limpopo Provincial Government and is therefore, inter alia, engaged in the fight against corruption.

The Limpopo Provincial Government is thus expected, in enhancing and strengthening the fight against corruption, to give more power to the above unit so that the employees and

the organization may be seen to be working efficiently and effectively.

8.3 In order for the Integrity Management Strategy to become successful, the following activities have to take place . These strategic considerations are interrelated and dependent on one another.

**8.3.1 Improved shared service anti-corruption investigation capacity for the Provincial Government .**

The Integrity Management Unit in the Office of the Premier and some investigation and compliance units existing in departments all conduct anti - corruption work at present. The current situation indicates that fragmentation , insufficient coordination , poor delineation of responsibility and assimilation of corruption into a broader mandate may directly affect the effective functioning of these units as far as anti-corruption roles are concerned . In order to address this situation , the following are required :

- a. A clear definition of the roles , powers and responsibilities of these units , including the allocation of new roles to negate deficiencies in areas of focus and to promote a holistic and integral approach.
- b. Well defined accountability arrangements for all the departments

8.1.2 Improved prosecution and adjudication capacity on acts of corruption.

In most instances where senior officials are involved in corporate misdeeds and or officials involved in serious acts of corruption the **action taken against such officials is not incommensurate with the incident.** Inconsistencies pertaining to action taken against perpetrators also creates a serious crisis of confidence in the government. Prosecution and adjudication capacity will be improved by :

- a. Establishing a central prosecution and adjudication pool consisting of qualified and experienced officers charged with the responsibility of prosecuting and adjudicating on corruption cases in the Provincial Government is critical to the fight against corruption .
- b. The prosecution and adjudication pool members shall be appointed in writing from various departments by the Director General . Appointed officers will complete appointment forms as attached as per Annexure A. Only employees employed on a full-time capacity, as the case may be, may be appointed .
- c. The pool shall be coordinated and monitored by the IMU
- d. Accounting Officers of departments will be advised on appointment of pool members on investigated cases concerning their departments by the IMU
- e. The IMU shall as a permanent solution to consistency and efficiency on adjudication and prosecution establish the adjudication and prosecution unit within the IMU.

- f. The Director General shall decide on the number of officials who should constitute the pool .

#### **8.1.2.1 CONTROL OVER MEMBERS OF THE ADJUDICATION AND PROSECUTION POOL**

- (a) The Accounting Officers shall: –
  - (i) Exempt members of the pool of service to attend such training and meetings as made known from time to time.
  - (iii) Exempt pool members of his or her normal duties to enable him or her to exercise his rights.
- (b) The Integrity Monitoring Unit shall :-
  - (i) Make arrangements for exempting members of the pool of their normal duties to enable them to attend to matters of adjudication and prosecution .

#### **8.1.3 Formal coordination and integration between departments and agencies involved in corruption work .**

Establishment of a formal coordination and integration between Departments and agencies involved in corruption is vital for the fight against corruption. These will be established:

- a. Anti-corruption coordination integration of departments and institutions that have anti-corruptions functions such as : The National Prosecuting Authority especially the DSO , Special Investigation Units ( SIU ) South African Police Services , ( Commercial Branch ) and The National Intelligence Agency etc shall be the function and responsibility of the IMU in the Office of the Premier .
- b. Departments and institutions that have anti - corruption function shall take part in the Corruption Coordinating Committee ( COPCOC )which will be chaired and coordinated

by the Office of the Premier. District Municipalities shall participate in the COPCOC as full members . A formal procedure and protocol regulating coordination and integration of departments and institutions that have anti-corruption functions shall be developed by the IMU in terms of this strategy .

#### **8.1.4 Improved Access to Report Wrongdoing and Protection of Whistleblowers and Witnesses.**

Effective measures to improve and promote a culture of whistle blowing amongst employees and members of the public. These will be done by :

- a. Establishing guidelines for the implementation of the Protected disclosure Act, including guidelines that make a distinction between whistle blowing and witness protection.
- b. Reviewing the effectiveness and existing problems of current hotline in order to improve the system , with particular reference to access to the independent agency .

#### **8.1.5 Prohibition of Corrupt Individuals and Businesses.**

Employees and business that have been party to acts of corruption often change employer within Public Sector or , in the case of businesses , change name or the segment/location in which they operated . To remedy this situation and to raise the integrity and ethics of the Public Service and business it does business with , prohibition must be established by :

- a. Excluding an employee and owners and directors of business found criminally guilty of corruption from employment or contract with the Public Sector for a maximum period of 5 years .

- b. Recording the prohibition of such persons on employment systems.
- c. Publication of sanctions and names of businesses , owners and directors.
- d. Requiring departments to declare previous criminal convictions related to corrupt practices .

#### **8.1.6 Managing Professional Ethics**

Coherent processes and mechanisms to manage professional ethics are key to the fight against corruption . The following must be established :

- a. Promotion of the concept and practice of ethics management.
- b. Establishment of a generic professional ethics statement for the Provincial Government
- c. Regular ethics audits

#### **8.1.7 Partnership with stakeholders**

Partnership has been identified as a cornerstone of a national anti – corruption strategy . To promote partnership the following shall be established by the IMU:

- a. Establishment of the Provincial Anti–corruption Forum and the forum to strengthen prevention measures
- b. Partnerships with organized stakeholders in Business and Civil Society Sectors , to curb corrupting practices by members of these Sectors must be established.
- c. Public Service unions must be mobilized to advocate professional

ethics with members.

#### **8.1.8 Awareness , Training and Education**

Public awareness must be strengthened . Employees should be capacitated on their rights and responsibilities as well as mechanisms that exist to fight corruption .

A comprehensive awareness campaign , supported with education and training , needs to be established and implemented at the level of Public Communication Campaign and Raising the Awareness and Education of Employees.

#### **8.4 More stringent Procedures in Employment**

The Limpopo Provincial Government must build the capacity and level of integrity by: –

- 8.5 applying the pre, post employment vetting of its employees as well as vetting at certain intervals.
- 8.6 obtaining positive security clearances for all senior managers, procurement
- 8.7 officials and employees holding sensitive or high risk positions.
- 8.8 applying a prohibiting mechanism regulating: –
  - employment of the ex-employees by the service provider with whom the employee was instrumental in the award of a contract or tender with the Limpopo Provincial Government
  - a prohibition on “switching sides” during the ongoing proceedings and negotiations with the service provider; and

- contractual binding of service provider to act ethically and not to recruit employees of the organization involved in a tender, contract or partnership arrangement with it.

## **9 POLICY FRAMEWORK**

### **9.1 FUNCTIONS AND RESPONSIBILITIES OF THE IMU**

9.1.2 The IMU shall perform the following functions in respect of the Provincial Government :

- a. Set norms and standards for organizational and individual behavior.
- b. Regulate organizational and individual behavior, with a view to ensuring conformity to these norms and standards.
- c. To ensure good corporate governance within the Provincial Government
- d. Promote integrity and accountability through pro-active and reactive anti-corruption and fraud prevention measures

### **9.2 Functions and responsibilities of the IMU in respect to anti-corruption**

- a. The IMU will investigate the circumstances of any serious incident of corruption occurring or originating in any department.

- b. The IMU will coordinate the involvement of any agency involved in anti-corruption or appointment of expert investigators in respects of any department if necessary.
- c. Managing and monitoring the provincial hotline .
- d. Coordinating and monitoring the adjudication and prosecution pool.

**9.3                   FUNCTIONS AND RESPONSIBILITIES OF CREATED  
DEPARTMENTAL / LOCAL GOVERNMENT INSTITUTIONS  
CAPACITY TO ADRESS CORRUPTION**

The created specific departmental capacity to address corruption such as investigations , compliance or inspectorate units shall investigate the circumstances of any less serious incident, which occurred or originate in a department after having notified and directed by the IMU.

However the department of Local Government and Housing shall develop capacity to investigate, coordinate and monitor efforts to address corruption within local government institutions . The department shall investigate corruption matters within the district municipalities while the districts municipalities shall be empowered to investigate corruption within the municipalities .

The Office of the Premier shall monitor and coordinate fraud and corruption activities within the Local Government and municipalities . The established departmental minimum capacity to address corruption shall also undertake the following functions :

- a. Implement fraud plans as required in terms of the Public Finance Management Act .
- b. Investigate allegations of corruption and detected risks at a preliminary level
- c. Enable the process of conducting further investigations, detection and prosecution , in terms of prevailing legislation and procedures.
- d. Receive and manage allegations of corruption through whistle blowing or other mechanisms
- e. Promote professional ethics amongst employees.

## **10 OPERATIONAL PLAN**

### **10.1 Prevention of Fraud and Corruption.**

As a preventative measure against Fraud and corruption and according to the approach mentioned above, every Accounting Officer must ensure that all incidents of fraud

and corruption are referred to the IMU Unit for investigation and monitoring.

10.1.2 Because of the nature and character of fraud and corruption within departments, a multi faceted approach to deal with fraud and corruption is required. Fraud and Corruption prevention cannot be tackled by government alone, or by one sector of government alone. It requires an integrated, coordinated approach where all relevant stakeholders view fraud and corruption as a shared responsibility. The IMU Unit will ensure that this takes place.

10.1.3 The IMU Unit will also ensure that fraud and corruption red flags are followed up and necessary steps are taken.

10.1.4 The Unit will also ensure that fraud and corruption prevention becomes one of the key performance areas of officials and that fraud and corruption prevention efforts by officials are recognized during the process of performance evaluation.

10.1.5 The IMU Unit will also ensure that all policies and procedures designed to prevent fraud and corruption are adhered to .

## **11 STRATEGY IMPLEMENTATION CHALLENGES**

The challenges mentioned hereunder may have to be taken into account during the strategic implementation process in the Limpopo Provincial Government. These challenges must not be taken as an exhaustive count as others may emerge along the implementation process.

### **11.1 Policies**

Policies must be formulated in the Limpopo Provincial Government by the Integrity Management Unit (IMU) in order to make a strategy work. They facilitate solving recurring problems and also guide the implementation of the strategy. Policies set boundaries, constraints and limits of administrative actions to be followed in supporting and working towards the desired goals. They clarify what an organization can or cannot do in the pursuit of a desired goal or objective.

N.B. (The policy formulation may either follow here or a separate policy document be established.

### **11.2 Resources Allocations**

The following four types of resources have to be used in order to achieve the desired strategic implementation process: –

- a) financial resources
- b) physical resources
- c) human resources; and
- d) technological resources

N.B. These resources may be discussed in terms of actions, time-frames and responsible units.

Having identified and allocated the above resources does not however mean that the implementation is guaranteed. One still has to take into account the following prohibitive factors towards the effective resources allocation.

- Overprotection of resources
- Great emphasis on short-run financial criteria
- Organizational policies
- Vague strategy targets
- Reluctance to take risk
- Lack of sufficient knowledge, etc

Personnel, programmes, control and commitment must breath life into the resources provided.

### 11.3 Conflict Management

Conflict is unavoidable in organizations; therefore it is important that conflict be managed and resolved before dysfunctional consequences affect the organizational strategic performance.

Conflict is not always bad and its absence can always signal indifference and apathy. Of importance is that conflict can serve to energize opposing groups into action and help managers identify problems. The following are the three classical approaches for managing and resolving conflicts: –

**Avoidance:** action ignoring problematic situation hoping that the problem will resolve itself or physically separating the conflicting individuals / groups.

**Diffusion:** playing down the differences between conflicting parties while accentuating similarities and common interests, compromising so that there is no winner or loser, resorting to majority rule, appealing to higher authority if necessary, or redesigning present positions.

**Confrontation:** exchange members to the conflicting parties so that each can gain an appreciation of the other's point of view, focusing on superordinate goals such as the organization's survival, or holding a meeting at which the conflicting parties present their views and work through their differences.

#### 11.4 Resistance to change

- a) From the establishment of the Anti-corruption unit there has not been an approved Anti-Corruption Strategy in place. The introduction and implementation of this strategy is a critical change in the organization. This change raises anxieties to people because they fear inconvenience, uncertainty and a break in their social normal patterns and in their daily operations of duty. Almost any change or strategy introduced and implemented, has the potential of disrupting the comfortable, even corruptive, interaction patterns and those uncomfortable resist change. It follows then that re-orientating organization to get people think and act strategically is not an easy task.
- b) Resistance to change is a single greater threat to a successful strategy implementation. Resistance may be in a form of sabotaging any information contained either in files or in electronic equipments. In that case employees simply need an accurate information regarding the change and implementation of the strategy. Although there are other approaches for implementing changes, the three commonly used strategies are the following: –
- **A force change strategy:** this involves giving orders and enforcing those orders. It has an advantage of being fast, but is sometimes plagued by low commitment and a high resistance.
  - **The educative strategy:** This is the presentation of information to people convincing them of the need for change. The disadvantage herein is that education sometimes becomes slow and difficult but on the same

wavelength it evokes greater commitment and less resistance than does the force strategy.

- **The rational or self-interest change strategy:** The application of this strategy entails that the employees are addressed in order to convince them that the change is to their advantage. This strategy is the most desirable for utilization by the managers in improving the likelihood of successfully implementing change by carefully designing change efforts. This strategy consists of the following four advantageous steps:–
  - Employees are invited to participate in the transition and to give their opinions, to feel being part of the process and to identify their own self-interests regarding the recommended change.
  - It gives motivation or incentive to change itself. Self interest it is the best motivation.
  - Communication with employees is important to make them understand the need for the change; and
  - It allows the giving and feedback to enable everyone to know how things are going and how much progress is being made.

## 12. MARKET AND LAUNCH

12.1 After approval this strategy will be forwarded to all departments in preparation for the workshop wherein all will be *ad idem* towards the content and implementation.

12.2 The launch will be effected on the decision of the Executive Council.

### **13. REVIEW OF STRATEGY**

This strategy will be reviewed depending on periodic information, internally or externally, justifying the revisiting and updating thereof.

### **14. CREATION OF A STRATEGY-SUPPORTIVE CULTURE**

Finally the Limpopo Provincial Government has to create a strategy-supportive culture. Changing the culture to fit the new strategy is more effective than changing the new strategy to fit the culture. What if the culture is bad?

### **15. CONCLUSION**

It is in the above holistic, co-ordinate and integrated approach that the Limpopo Provincial Government is also involved in the fight against corruption which has become an international issue.