

CORRUPTION AND SERVICE DELIVERY IN THE PUBLIC SERVICE: THE CASE OF LIMPOPO PROVINCE

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ABSTRACT

This article addresses the subject of corruption and how it impacts on effective service delivery with specific reference to the Limpopo Provincial Government. The primary reason for concern about corruption is that it reduces public trust and confidence in the integrity and impartiality of elected representatives (political office bearers and public officials). The different categories of corruption identified and explained are those related to conflicts of interest which include using inside knowledge and influence, self-dealing, misusing government property, outside employment, post employment, gift-giving traditions, entertainment and personal conduct. The identification and determination of the measures for combating corruption ensure that public functionaries serve members of the public in an equitable and impartial manner. Measures for combating corruption include the Office of the Auditor-General, the Public Service Commission, the Public Protector, the Internal Audit Services (Limpopo Province) and the Fraud and Corruption Unit (Limpopo Province). To effectively combat unethical conduct such as corruption, government should implement the recommendations of these oversight bodies. Failure to implement their recommendations damages the image of government as the promoter of ethical values.

INTRODUCTION

One major challenge facing nations all over the world today is a lack of trust in government. In some countries, trust in government is challenged by the simple fact that governments no longer have control over public debate and citizens' access to information; this is now in the hands of the global marketplace. In these countries, the demand for accountability is a powerful catalyst for change and the search

for accountability, procedures and institutions adapted to democracy at the early stages of democracy are major reasons for rethinking established notions of accountability.

The identification and determination of measures to combat corruption ensure that public functionaries serve members of the public in an equitable and impartial manner. Taxpayers are also assured that public functionaries on the payroll are unlikely to use their positions for personal gain.

DEFINING CORRUPTION

The concept of corruption can be defined in different ways depending on the point of view or type of approach followed. It is clear that corruption has always been viewed as illegal. It has, consequently, been defined in specific legislation. For the purpose of this article, corruption covers all illegal or unethical use of governmental authority for personal or political gain. It is defined as any behaviour which deviates from the formal duties of a public role (elective and appointive) resulting in private wealth (personal, close family, private clique) or status gains (which violates rules against the exercise of certain types of private influence) (Mafunisa, 1999:191). Corruption is the misuse of public office and authority in return for personal gain, which may be material (as in the case of bribery) or non-material (as in the case of favouritism).

MANIFESTATIONS OF CORRUPTION

The catalogue of unethical conduct includes manifestations of inefficiency and ineffectiveness, corruption, unethical use of public office, subjective and arbitrary decisions, tax evasion, discrimination, the protection and covering-up of incompetence, the unauthorised disclosure of confidential information, nepotism, bribery, theft and misuse of public property, victimisation, fraud, extortion, influence, peddling and speed money.

Common types of corruption cases that are prevalent in Limpopo Province include the theft of assets, the mismanagement of funds, unauthorised deductions, irregular appointments/promotions, the irregular awarding of tenders, maladministration, the misuse of state vehicles and petrol cards, unpaid salaries/claims, procurement fraud, ineffective security services, the non-submission of leave forms, insufficient pension payouts, ghost employees, corruption, damage of state assets, the illegal occupation of RDP houses, the irregular sale of state assets, unauthorised private business, abscondment from duty, cheque fraud, false claims/irregular payments, unfair dismissals, the non-payment of market-related rentals, non-compliance with service delivery standards, absenteeism and the issuing of fraudulent drivers' and learners' licenses and identity documents (Limpopo Provincial Government, 2005(a)). The breakdown of these common types of corruption cases prevalent in Limpopo Province will be discussed in the section entitled Fraud and Corruption Unit of the Limpopo Provincial Government.

Seventeen top directors employed in municipalities across the Limpopo Province are trained teachers with no management-related qualifications. At least four of the 17 directors hold positions as municipal managers, while the rest occupy key positions as directors

of finance, integrated developing planning (IDP), corporate services, local economic development (LED), accounting and human resources. One municipality hired an IDP/LED director with only a secretarial diploma, another appointed a chief finance officer with only administrative qualifications, while yet another appointed an employee with only a matric certificate. The leader of the Democratic Party (DA) in Limpopo, Michael Holford, states that this is affecting service delivery. He further states that the advice these employees give to politicians is poor, since they make decisions about issues they do not understand. This is seriously affecting service delivery. The spokesperson of the Limpopo Department of Local Government and Housing has confirmed that municipal employees are unable to perform, because they lack relevant qualifications (*City Press*, 1 October 2006).

Although it is generally believed that unethical conduct such as corruption is the sin of government, it also exists in religious, business, non-governmental and semi-governmental sectors. The private sector, non-governmental and semi-governmental institutions are involved in most governmental related corruption. All these sectors should, therefore, assist in fighting corruption.

INSTITUTIONAL MECHANISMS FOR PROMOTING ETHICAL CONDUCT

The key drivers/programmes of *Transformation and Institution Building*, one of the Governance and Administrative Cluster priorities in Limpopo Province, include improving the implementation of the anti-corruption strategy and the implementation of transformation policies and strategies (Limpopo Provincial Government, 2005(b)). The following are some of the institutional mechanisms used to promote good governance in the public service.

Public Protector

Section 112(1) of the *Constitution of the Republic of South Africa*, 1996 authorises the Public Protector to investigate on his/her initiative, or on receipt of a complaint, any alleged maladministration; abuse or unjustifiable exercise of power or unfair, discourteous or other improper conduct or undue delay, improper or unlawful enrichment, or receipt of any improper advantage, or promise of such enrichment or advantage, by a person as a result of an act or omission in the public administration and management of public institutions; or act or omission by a person in the employment of any sphere of government, or a person performing a public function, which results in unlawful or improper prejudice to any person.

The Office of the Public Protector only has the power to make recommendations on its findings. To make this Office effective in promoting good governance, government must implement its recommendations.

Auditor-General

The Office of the Auditor-General promotes ethics and accountability. It encourages public officials to perform their duties effectively, efficiently and ethically. The Office

of the Auditor-General ensures that public officials are aware that their actions may be investigated to ensure that effective management principles are taken into account and that resources are procured economically and utilised efficiently.

The Auditor-General has the power to make recommendations on its findings. To make the Office of the Auditor-General effective, government must implement its recommendations.

Internal Audit Services Unit: the case of Limpopo Province

The Internal Audit Services Unit of the Limpopo Provincial Government has been restructured as a shared provincial service and the process is in line with the *Public Finance Management Act, 1999* (Act 1 of 1999). An Audit Committee has also been appointed. The Internal Audit Services Unit recently implemented their annual audit coverage plan based on the risk assessment conducted a year ago. The following projects were conducted (Limpopo Provincial Government, 2005(a)).

A compliance audit was conducted whereby both financial and operational controls and transactions were reviewed. This was done to determine how well departmental control conforms to established regulations, laws, policies and procedures. Thirty-five audits were conducted and management agreed to implement corrective actions. An operational audit was conducted at the Department of Health and Welfare, for example, and significant levels of inefficiency, ineffectiveness and uneconomic usage of resources were revealed. Institutions are currently busy with the implementation of the various audit recommendations.

Special projects were initiated on behalf of accounting officers who requested assistance and investigations. Some of these special projects are as follows:

- an investigation was launched into the capacity of the Consolidated Municipality Infrastructure Programme (CMIP) at the Department of Local Government and Housing, where inefficiencies and negligence by the department have resulted in an unauthorised expenditure of R10 511,818;
- following the enquiry and review into how the departments are implementing the *Public Finance Management Act, 1999* (Act 1 of 1999), significant inroads have been made regarding the implementation of PFMA. Departments have, for example, made progress in terms of clearing audit queries, monitoring and reporting, clearing suspense accounts, closing accounts timeously, managing expenditure and developing fraud and prevention plans.

Public Service Commission

The *Public Service Commission* (PSC) is tasked with making recommendations, giving directions and conducting enquiries with regard to personnel practices in the public service, as well as promoting efficiency and effectiveness in the departments and the public service, and implementing a code of conduct applicable to members of the public service, *inter alia* (Section 210 (1) (a) of the Constitution of 1996).

The PSC's powers include the promotion of those values and principles applicable to public administration. These values and principles include the following: a high standard of professional ethics must be promoted and maintained; efficient, economic and effective use of resources must be promoted; services must be provided impartially, fairly, equitably and without bias; people's needs must be responded to; public administration must be accountable, and transparency must be fostered by providing members of the public with timely, accessible and accurate information (Section 195(1) of the *Constitution of the Republic of South Africa, 1996*).

The PSC has played an important role both in terms of putting the issue of corruption on the agenda and by establishing the National Anti-Corruption Forum. These should be considered as measures of effectiveness. Advocacy, raising awareness and reporting corruption should also be noted. The PSC only makes recommendations on its findings. To make the PSC effective, government must implement its recommendations.

Fraud and Corruption Unit

The Limpopo Provincial Government has developed a strategy and policy to deal with fraud and corruption in the Province, because fraud and corruption impact negatively on service delivery. The Fraud and Corruption Unit has been capacitated to deal effectively and efficiently with fraud and corruption cases.

The following is a breakdown of the fraud and corruption cases reported through the Fraud and Corruption Control Toll Free Line:

Nature of fraud and/or corruption	Number of reported cases
Theft of assets	15
Mismanagement of funds	39
Unauthorised deductions	5
Irregular appointments/promotions	42
Irregular awarding of tenders	12
Maladministration	4
Misuse of state vehicles	42
Misuse of petrol cards	2
Unpaid salaries/claims	6
Procurement fraud	12
Ineffective security services	2
Non-submission of leave forms	4
Insufficient pension payouts	6

Nature of fraud and/or corruption	Number of reported cases
Ghost employees	4
Corruption	14
Damage of state assets	2
Illegal occupation of RDP houses	8
Irregular sale of state assets	7
Insufficient information/irrelevant	48
Conducting of unauthorised private business	6
Misuse of state assets	2
Abscondment from duty	8
Cheque fraud	2
Irregular payments/false claims	2
Unfair dismissals	1
Non-payment of market-related rentals	2
Non-compliance with service delivery standards	6
Total	293

The following is a breakdown of reported cases per department:

Provincial Department	Number of complaints
Agriculture	24
Education	83
Finance, Economic Affairs and Tourism	9
Health and Welfare	67
Local Government and Housing	37
Office of the Premier	16
Public Works	29
Safety, Security and Liaison	1
Sports, Arts and Culture	4
Transport	14
Total	284

National Departments	Number of complaints
Home Affairs	3
Justice	2
Labour	1
South African Police Services	2
Water Affairs and Forestry	1
Total	9

Of 293 reported cases, 97 were investigated by the Office of the Premier; 152 cases were referred to provincial departments and other agencies such as the Commercial Crime Unit: SAPS for investigation. From those cases investigated by the Fraud and Corruption Unit and other provincial departments, 116 officials were charged with misconduct relating to fraud and corruption. The following is a breakdown of the nature of misconduct in respect of such officials:

Nature of misconduct	Number of officials charged
Use of state funds to attend to private matters	2
Misuse of petrol cards	11
Fraud	25
Misuse of vehicles	4
Corruption	2
Remunerative work outside the department	2
Abscondment from duty	50
False qualifications	1
Theft of assets	7
Misappropriation of state funds	1
Gross negligence	2
Illegal hunting during the night	3
Lost cheques	1
Possession of game reserve meat	1
Theft of official documents	1
Non-compliance with procedures	1
Financial irregularities	1
Theft of co-workers' money	1
Total	116

Operation Clean Sweep

The Department of Transport assisted the Office of the Premier of Limpopo Province, the Directorate of Special Operation (Scorpions), the Special Investigative Unit, the Commercial Crime Unit (SAPS) and the National Intelligence Agency on a joint operation known as *Operation Clean Sweep* during December 2001 in a bid to address fraud and corruption relating to the issuing of learners' licences, drivers' licences, applications for taxi permits, the issuing of roadworthy certificates as well as in the Department of Transport as a whole.

Phase one of the operation resulted in 13 officials being suspended from official duty on charges of fraud and corruption; of the 13 suspended, 10 were arrested. All the officials who were arrested were working for the Department of Transport. The operation also led to the closure of an office in the Seshego Industrial Area issuing taxi permits illegally. This office was operated by officials of the Department of Public Transport without the knowledge of the Head of Department and the MEC.

Phase two of the operation was spearheaded by the Corruption Prevention Coordinating Committee (COPCOC), which was launched on 28 February 2002 at the Ranch Hotel. COPCOC consists of Security and Risk Management Strategies, the Commercial Crime Unit: SAPS, the National Intelligence Agency, the Public Service Commission, Business Against Crime, the Department of Home Affairs and the Department of Justice. The Committee is spearheaded and coordinated by the Office of the Premier.

CORRUPTION TRENDS IN LIMPOPO PROVINCE

In several cases, mainly in the Governance and in the Administrative Cluster, the indicator information is not readily available. This information is required as a foundation for projections or to determine corruption trends. There are gaps, for example, in the Fraud and Corruption Unit's 2000-2005 fraud and corruption statistics (see table 1 below).

Table 1: Fraud and corruption statistics

Year	Number of complaints	Cases investigated	Cases referred to other departments/agencies	Cases not completed/insufficient information
2000	185	100	52	33
2001/2002	374			
2003/2004	117	15	80	22
2005	63	Not yet recorded	Not yet recorded	Not yet recorded

Source: (Limpopo Provincial Government: *Fraud and Corruption Statistics, 2000-2005*)

The statistical information available is that of 2000 and 2003/04. The Internal Audit Section collected the 2000 information. The other weakness in the corruption statistics is that figures on cases resulting in a conviction are not gathered. In short, the Unit does not have readily available corruption figures. Many cases are referred to the Unit, but it is not equipped to deal with the complaint; many cases should rather be referred to the Public Protector, the Public Service Commission, the ICD or the DSO. The referrals of such cases amongst agencies are seemingly not tracked in a formal and comprehensive fashion. There is no record as to what the outcome of referred cases is.

Interaction between the Fraud and Corruption Unit and departments, including the Department of Labour and the national Office of the Public Service Commission, does take place. There is no formal agreement with regard to the coordination of case-related information. There is also no effective communication between the Unit and the provincial Office of the Public Service Commission. The reason for this is that the provincial hotlines have been replaced by one national hotline. Reasons for this include budget constraints and staff shortages. Despite this, though, the appointment, training and retention of investigators is seen as a top priority.

CORRUPT ACTIVITIES: IMPLICATIONS AND RECOMMENDATIONS

Corruption in African public services has created a crisis of confidence in the actions of governments. People no longer believe that their governments will keep their promises to deliver social services. The majority of people are faced with inadequate health services, unclean water, poor educational services, badly maintained roads, inadequate housing and lack of food because state institutions have become so paralysed by corruption that they are unable to deliver on their promises (Frimpong & Jacques, 1999:125).

According to Camerer (1997), South Africa's government departments are plagued by problems when it comes to efficient and effective service delivery. The system of social security, for example, is in *crisis* and is characterised by inefficient service delivery, fraud and corruption. While some problems are specific to welfare, many others relate to the transformation of the public service as a whole. These general problems which affect the state's ability to deliver effective programmes have been identified as, *inter alia*, outdated and inefficient financial management, administrative and organisational structures, gross inefficiencies and loopholes, exploited by corrupt public officials.

There are a few who have the power to *divert* funds, to bribe, to influence decision-making processes for their own benefit and to enjoy special privileges. This perpetuates the inequalities in the distribution of power, wealth and opportunity. The few then do whatever they can to prevent change from taking place and work hard to preserve the *status quo* (Frimpong & Jacques, 1999:125). It is common to hear about funds meant for social services being stolen, embezzled or diverted to some frivolous projects that would benefit some public officials.

In the case of the Republic of South Africa, Dipuo (<http://www.info.gov.za/speeches/2005/050426121002.htm>) states that to date government has uncovered

hundreds of cases where people have defrauded the state by benefiting illegally from the social grant system. These illegal beneficiaries cripple government's efforts to fight and eradicate poverty. Fraudulent claims for social security benefits in 2004, according to Dr Zola Skweyiya (National Minister of Social Security Services) totalled over R1,5 billion. Institutions must be established to fight unethical conduct.

Section 181 of the *Constitution of the Republic of South Africa, 1996* guarantees the independence of state bodies which promote constitutional democracy. These bodies include the Auditor-General, the Public Protector, the Commission for Human Rights and the Independent Electoral Commission. Section 181(2) of the Constitution 1996 requires these bodies to be independent. Individuals in these institutions are expected to exercise their powers and perform their functions without fear, favour or prejudice. These bodies are expected to be subject only to the Constitution and the law.

According to the Democratic Party (DP) (2000:28), although the African National Congress (ANC) has not changed the provisions of the Constitution, the usually successful attempts to appoint cadres to these institutions run completely against the spirit of the Constitution. For ANC members the obligations imposed by democratic centralism (to defend and implement the decisions of the party) run completely against obligations imposed by the Constitution (to exercise their functions without fear, favour or prejudice subject only to the Constitution and the law). Furthermore, argues the DP, the ANC has established various structures and mechanisms to ensure that ANC cadres *in all structures* continue to operate under the *direction* of the National Working Committee (NWC). Since loyalty to the Party generally prevails over loyalty to the Constitution, ANC cadres continue to operate under the direction of the NWC after appointment.

To promote ethical conduct (and thus service delivery) in the Limpopo Provincial Service, the following should be done:

- an assessment should be made of the investigative capacity that currently exists within the Fraud and Corruption Unit;
- a web-based Corruption Management Information System (CMIS) should be established for data collection and analysis;
- Limpopo public servants should undergo ethics education and training; and
- an in-depth communication strategy on professional ethics, public service values, the nature of corruption and how to prevent and report it should be distributed. The Premier, in cooperation with the Fraud and Corruption Unit, should drive this process.

CONCLUSION

Unethical actions are usually kept secret and remain undetected until harm has been done to the efficiency of public institutions. To this end, every political office bearer and public official should make it his or her duty to keep himself or herself informed about unethical conduct and the measures needed to eliminate it. In order to fight corruption effectively, political office bearers and public officials should serve as whistleblowers, and the information they provide could result in investigations being initiated by institutions for supporting constitutional democracy.

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