



LIMPOPO
PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

PROVINCIAL TREASURY

ANTI-CORRUPTION AND ETHICS MANAGEMENT POLICY

2024

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1. PREAMBLE

- a) The Public Service Regulations 22 of 2016 stipulates that a head of department shall, amongst others,
- b) Analyse ethics and corruption risks as part of the department's system of risk management;
- c) Develop and implement an ethics management strategy that prevents and deters unethical conduct and acts of corruption;
- d) Establish a system that encourages and allows employees and citizens to report allegations of corruption and other unethical conduct, and such system shall provide for
 - (i) Confidentiality of reporting; and
 - (ii) The recording of all allegations of corruption and unethical conduct received through the system or systems;
- (e) Establish an information system that –
- (f) Records all allegations of corruption and unethical conduct;
- (g) Monitors the management of the allegations of corruption and unethical conduct;
- (h) Identifies any systemic weaknesses and recurring risks; and
- (i) Maintains records of the outcomes of the allegations of corruption and unethical conduct; and
- (j) Refer allegations of corruption to the relevant law enforcement agency and investigate whether disciplinary steps must be taken against any employee of the department and if so, institute such disciplinary action.

2. PURPOSE AND OBJECTIVES OF THE POLICY

- (a) The purpose of this Policy is to articulate the Limpopo Provincial Treasury's (LPT) zero tolerance approach to corruption in promoting integrity by strengthening measures to improve anti-corruption and ethics management. The LPT adopts an integrated approach to fight against corruption and management of ethics that include analysis of ethics and corruption risks as part of the Department's system of risk management.
- (b) The objective of this policy is to promote professional ethics, discourage unethical behaviour and combat fraud and corruption in the workplace.

3. AUTHORITY OF THE POLICY

This policy is issued under the authority of the MEC as the Executing Authority and the Head of Department as the Accounting Officer for the Limpopo Provincial Treasury.

4. SCOPE OF APPLICATION

This policy is applicable to all permanent and temporary employees of Limpopo Provincial Treasury.

5. LEGISLATIVE FRAMEWORK

This policy is informed by and not limited to the following legal prescripts:

No	Legislation
1.	Constitution of the Republic of South Africa 1996, Section 195
2.	Labour Relations Act, 66 of 1995
3.	Prevention and Combating of Corrupt Activities Act, 12 of 2004
4.	Promotion of Access to Information Act, 2 of 2000
5.	Protected Disclosures Act, 26 of 2000 (Whistle Blowers Act)
6.	Public Finance Management Act, no 1 of 1999(As amended)
7.	National Treasury Regulations of 2005 (As amended)
8.	Public Service Act, no 103 of 1994(As amended)
9.	Public Service Regulations of 2016
10.	The National Anti-Corruption Strategy adopted by Cabinet in 2002
11.	Intimidation Act 72 of 1982
12.	Witness Protection Act 112 of 1998
13.	Minimum Information Security Standards

6. DEFINITIONS

Code of Conduct is a set of rules outlining rules and responsibilities of, or proper practices for an individual, party or organisation.

Code of Ethics is the mission and values upon which the organisation's professional standards are held.

Corruption means any conduct or behaviour where a person accepts, agrees or offers gratification to another person to persuade him or her to act dishonestly or illegally. Such behaviour also includes the misuse of material or information, abuse of a position of authority or a breach of trust or violation of a duty. (Adapted from the definition contained in the Prevention and Combating of Corrupt Activities Act, 2004 (Act 12 of 2004). Corruption takes various forms in the public service and elsewhere in society. The following are examples of different types of corruption:

Embezzlement	This involves the theft of resources by persons who have been entrusted of such resources.
Extortion	Coercion of a person/ entity or putting pressure on someone to provide a benefit to a public servant, another person or an entity.
Conflict of interest	The failure by Public Servant to act or to consciously fail to act on a matter where the public servant has an interest or another person or entity has some form of relationships which the public servant has an interest.
Abuse of privileged information	This involves the use of privileged information and knowledge that a public servant possesses as a result of his or her office to provide unfair advantage to another person or entity to obtain a benefit.
Nepotism	A public servant ensuring that family members are appointed to public service position or that family members receive contracts from the state.
Favoritism	The practice of giving unfair preferential treatment to one person or group at the expense of another.
Abuse of Power	Improper use of authority by someone who has that authority because he or she holds a public office.

Fraudulent and corrupt acts may include:

Systems issues e.g. A process/system which is prone to abuse by employees, the public or other stakeholders,

Financial issues: e.g. where individuals or entities have fraudulently obtained money from LPT,

Equipment and resource issues e.g. where LPT's equipment is utilised for personal benefit or stolen,

Other issues: e.g. activities undertaken by employees of LPT, which may be against policies or fall below established ethical standards,

Ethics Champion is an appointed official at an executive level with delegated authority to drive ethics and anti-corruption initiatives.

Ethics committee is a standing committee to promote the ethical practice of psychology and is responsible for Code of Ethics and Conduct and other ethical guidance within an organisation.

Ethics is the moral principles that govern a person's behaviour or conduct of an activity.

Ethics officer is an appointed official who serves as the organisation's internal control point for ethics and improprieties, allegations, complaints, and conflicts of interest and advice on corporate governance issues.

Fraud is the unlawful and intentional making of a misrepresentation, which causes actual and or potential prejudice to another.

Impropriety – means failure to comply with any legal duty, miscarriage of justice, danger to health and safety, damage to the environment, discrimination and deliberate cover up of any of the above.

Irregularity is an act that amounts to a departure from prescripts or directives, *without any gratification*. It is commonly prescribed in relation to irregularities in terms of the Public Finance Management Act. Examples of irregularity: failure to obtain three quotations in procurement processes where deviation was not approved, failure to declare own interests in a bidding process where the employee has a relationship with the supplier etc.

Management refers to the organisational process that includes strategic planning, setting objectives, and managing resources, deploying the human and financial assets needed to achieve objectives.

Occupational Detriment – means any unforeseen conduct that may harm employees in the workplace and cause prejudice when they whistle blow.

Theft is the unlawful and intentional appropriation of movable corporeal property belonging to another person with the intention of depriving the owner permanently of its possession.

Unethical Conduct refers to behaviour that violates the professional standards of ethics.

Whistle Blower – is a person who exposes any kind of information or activity that is deemed illegal, unethical, or not correct within an organization that is either private or public.

7. POLICY PRINCIPLES

LPT is committed to the highest possible standards of openness, integrity and accountability.

8. PROCEDURES

The procedures on matters relating to this policy and the Protected Disclosures Act are contained within the Fraud and Prevention Strategy.

9. STRUCTURE AND INSTITUTIONAL ARRANGEMENT

9.1 Executive Committee (EXCOM)

The Executive Committee provides strategic direction regarding anti-corruption and ethics management within the department.

9.2 Risk Management Committee

The Risk Management Committee reviews the corruption and fraud risk management progress of the department.

9.3 Ethics Committee

The Ethics Committee is responsible for providing the strategic direction and oversight to the ethics management programme and assess the state of ethics in the department.

9.4 Audit Committee

The Audit Committee is an independent committee responsible for oversight of the department's control, governance and risk management. The responsibilities of the Audit Committee with regard to corruption and fraud risk management are formally defined in its charter.

10. ROLES, RESPONSIBILITIES AND POWERS

10.1 Executive Authority

- a) Approves the policy.

10.2 Head of Department

- a) Oversees the implementation of the policy.
- b) Recommends approval of the policy to the Executive Authority.
- c) Appoints an external investigator when necessary.

10.3 Enterprise Risk Management Directorate

The Enterprise Risk Management Directorate is responsible for co-ordination of ethics management and anti-corruption policy and activities in LPT.

10.4 Security and Investigation Services Directorate

The Security and Investigation Services directorate is responsible for conducting any investigation services in LPT.

10.5 The Ethics Champion

The Ethics Champion is responsible for intervening in instances where the corruption and fraud risk management efforts are being hampered with, for example, lack of co-operation by management and other officials and the lack of departmental skills and expertise.

10.6 The Ethics Officer

The Ethics Officer is responsible for implementing the ethics management strategies within the department.

10.7 Internal Audit

The role of the Internal Audit in corruption and fraud risk management is to provide an independent, objective assurance on the effectiveness of the department's system of corruption and fraud risk management.

10.8 External Audit

The external audit (Auditor- General) provides an independent opinion on the effectiveness of corruption and fraud risk management.

10.9 Other Officials

- (a) Other officials are responsible for integrating corruption and fraud risk management into their day-to-day activities.
- (b) Officials must ensure that their delegated risk management responsibilities are executed and continuously report on progress through action plans specific for their unique functional environments.

11. POLICY PROVISION

11.1 Corruption

The LPT has developed reporting and investigation procedures to ensure proper coordination and optimal use of available resources, when allegations and or incidents related to corrupt activities and fraud are reported.

11.2 Reporting of suspicious acts and or protected disclosures

- a) All suspicious acts or protected disclosures shall be reported to the immediate supervisor/ manager/security services.
- b) If a member of management or senior management is the subject of the complaint, Security and Investigation Services directorate should be informed
- c) If Security and Investigation Services Directorate is the subject of the complaint, the chairperson of the Ethics committee should be informed.
- d) Should the HoD be the subject of the complaint, the Chairperson of the Audit Committee should be informed.
- (e) Reporting of the above should be in line with the approved procedure manual.

11.3 Reporting anonymously

- a) An employee may complain anonymously.
- b) Anonymous complaints may be reported to the investigation unit within Security and Investigation Services, the chairperson of the Ethics Committee responsible for ethics oversight, the Office of the Head of Department, the Chairperson of the Audit Committee, the Premier Hotline 0800 864 729 and National Anti-Corruption Hotline, 0800 701 701.

11.4 Resolution of reported incidents and allegations

- a) All Reported incidents and allegations shall be managed in line with investigation procedure manual.
- b) Allegations that involve possible criminal activities such as fraud and corruption shall be reported to relevant external state agencies.

11.5 Publication of Sanctions

Information relating to corrective actions taken or sanctions metered out to the implicated employees will be publicised in the internal media of communication in order to discourage employees from engaging in unethical behaviour and corrupt activities,

12. DEVIATION

Any policy, procedure, or guideline that does not follow the procedures and processes outlined in this policy will not be approved by the relevant authority.

Any employee who contravenes the provisions of this policy, which may lead to violations of the Public Service Code of Conduct or any rules, or policies, that employee shall be charged with misconduct and the necessary disciplinary measures will be taken against him or her.

13. INTERPRETATION OF POLICY

Should there be any dispute about the interpretation or application of this policy, the enabling legislation will take precedence.

14. COMMENCEMENT DATE

The commencement date of this policy will be on the date of its approval or 30 days after approval, where there are no systems in place to implement the policy.

15. TERMINATION AND REVIEW CONDITIONS

This policy will be reviewed by the LPT after 36 months or when necessary. The amendments resulting from the review will be processed in line with the Policy Development Framework. However, where it is deemed not necessary to review the policy, evidence of the process leading to such a decision should be provided.

This policy will remain in force until and unless it has been withdrawn and amended by Executing Authority.

16. ENQUIRIES

Enquiries regarding this policy should, in the first instance be directed to the Security and Investigation Services Unit.

17. RECOMMENDATION AND APPROVAL

Recommended for approval by:



GC Pratt
HEAD OF DEPARTMENT

6 May 2024
Date

APPROVED BY:



SO Sekoati
MEMBER OF EXECUTIVE COUNCIL

09/05/2024
Date