

Anti-Fraud and Anti-Corruption Measures in South Africa



In 2015 SALGA commissioned a survey of anti-fraud and anti-corruption measures taken by South African municipalities. One of the four aims of the project was to create a knowledge hub that provides a real-time state of the sector report on anti-fraud and anti-corruption initiatives undertaken by municipalities towards laying a concrete basis for a peer review mechanism amongst various categories of municipalities on anti-fraud, anti-corruption and maladministration. The survey was also intended to inform public policy, and administrative and governance support programs aimed at addressing anti-corruption and maladministration.

SALGA appointed PDG to undertake an initial annual survey of the state of fraud, corruption and maladministration responses in South African municipalities.

An electronic survey was conducted, sampling 48 municipalities in all 9 provinces, with a 54% response rate. Provincial dialogues were held in all 9 provinces. Anti-fraud and anti-corruption measures in municipalities were tested against 4 key assessment areas: legislative compliance (do the municipality's efforts meet legislative criteria?), transparency (can members of the public access information to exercise their rights as citizens?), accountability (are there means for citizens to hold councillors or officials accountable should they discover misconduct?) and effectiveness (do anti-fraud and anti-corruption measures achieve their desired outcomes?).

Municipalities identified over 30 distinct ways in which fraud or corruption manifests itself in municipal administration. Municipalities were found to be compliant first with the requirement that they have policies and programmes to prevent fraud and corruption. While all municipalities have



policies in place to prevent fraud and corruption, fewer have the capacity to detect it when it happens. Where it has been detected, even fewer have the capacity to investigate and resolve cases successfully. Those that can investigate are typically larger municipalities with the capacity and resources to do so. The findings confirmed the need for enhanced capacity to deal with fraud and corruption in municipalities, as well as enhance consequence management to ensure that instances of fraud and corruption are dealt with swiftly and decisively.

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SAFC PROJECT:

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