

**MEASURING THE EFFECTIVENESS OF THE
NATIONAL ANTI-CORRUPTION HOTLINE:
THIRD BIENNIAL REPORT**



PUBLIC SERVICE COMMISSION

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VISION

The Public Service Commission is an independent and impartial body created by the Constitution, 1996, to enhance excellence in governance within the Public Service by promoting a professional and ethical environment and adding value to a public administration that is accountable, equitable, efficient, effective, corruption-free and responsive to the needs of the people of South Africa.

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The Public Service Commission aims to promote the constitutionally enshrined democratic principles and values of the Public Service by investigating, monitoring, evaluating, communicating and reporting on public administration. Through research processes, it will ensure the promotion of excellence in governance and the delivery of affordable and sustainable quality of services.

PUBLIC SERVICE COMMISSION

**MEASURING OF THE EFFECTIVENESS OF THE NATIONAL ANTI-CORRUPTION HOTLINE:
THIRD BIENNIAL REPORT**

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GLOSSARY OF ABBREVIATIONS

AFU	Anti Fraud Unit
CMS	Case Management System
CMC	Case Management Center
DPSA	Department of Public Service and Administration
FAU	Forensic Audit Unit
FET	Further Education and Training
GSSC	Gauteng Shared Services Center
GEPF	Government Employee Pension Fund
GG	Government Garage
HoD	Head of Department
ICD	Independent Complaints Directorate
ID	Identity Document
IMU	Integrity Management Unit
MEC	Member of Executive Council
NACH	National Anti-Corruption Hotline
OPSC	Office of the Public Service Commission
PSC	Public Service Commission
SAPS	South African Police Service
SARS	South African Revenue Service
SITA	State Information Technology Agency
SIU	Special Investigating Unit
SLA	Service Level Agreement
SMS	Short Message Service
RDP	Reconstruction and Development Programme

FOREWORD

Governments all over the world are more and more recognizing the danger of corruption, especially in the Public Service. International institutions such as the United Nations and Transparency International are also continuously drawing attention to the threat that corruption poses to the livelihood of citizens and the much needed service delivery.

In South Africa, the Government has over the years made concerted efforts to deal with corruption in the Public Service. Key to such efforts was the establishment of the National Anti-Corruption Hotline (NACH) in 2004 which Cabinet has mandated the Public Service Commission (PSC) to manage.

The NACH is a system designed to enable members of the public and public servants to report any form of corruption they happen to be aware or suspicious of in their respective areas. The NACH has since its inception registered 7922 cases of alleged corruption implicating national and provincial departments and public bodies. To ensure its continued effectiveness, the PSC has decided to conduct a study on a biennial basis to assess the effectiveness of the NACH. It is hoped that the lessons drawn from such assessment would improve the functioning of the NACH and strengthen the fight against corruption. The findings of this assessment confirm that the NACH is an effective system that has achieved positive results. Amongst its successes is the recovery of R110 million and a total of 1499 officials who have been found guilty of corrupt activities. Out of these, 603 were dismissed from the Public Service.

It is hoped that these successes will boost the confidence of the members of the public and public servants to continue to report cases of alleged corruption and maladministration in the Public Service with vigour. The effectiveness of the NACH can only be strengthened with the active participation of all those who happen to be exposed to corrupt activities.

I am pleased to present this report and I hope that the findings and recommendations contained in this report would contribute towards the country's efforts to fight corruption.

I would like to thank all Departments and Public bodies that have participated in this assessment. I trust that this report will assist them to further deepen anti-corruption initiatives in their respective institutions.

**CHAIRPERSON
MR B. MTHEMBU**

EXECUTIVE SUMMARY

INTRODUCTION

This is the third biennial Report on Measuring the Effectiveness of the National Anti-Corruption Hotline (NACH), and it reflects on the management of cases received through the NACH from 01 September 2004 to 31 August 2010. In doing so, the report examines the number and nature of cases received, successes achieved and constraints experienced in the management of the NACH. Information on cases covered by the third report is also provided for comparative purposes, and to assess the extent to which progress has been made with the finalization of such cases.

OBJECTIVES

The following are the objectives of the assessment:

- Provide a concise analysis of the cases submitted to the NACH;
- Report on the achievements/gains made by departments regarding the successful investigation of cases of alleged corruption;
- Identify challenges and weaknesses with respect to the management of the NACH, starting from the Call Centre, Case Management System (CMS), referral to departments and handling of case reports by Departments (including investigation of cases and responses from Departments); and
- Provide recommendations on how the management of the NACH can be improved as well as recommending actions for departments to fast-track the investigation of cases of alleged corruption.

SCOPE

The scope of the assessment was cases of alleged corruption reported to the NACH from the period 01 September 2004 to 31st August 2010 both at national and provincial departments and public entities.

METHODOLOGY

The assessment used a combination of methodologies such as a self-administered questionnaire, consultative workshops with officials of the selected departments, desk literature review, analyzing statistical data from the Case Management System (CMS) of the NACH and research on international best practice.

FINDINGS ON THE STUDY

The following are the key findings of the assessment presented according to the themes derived from the objectives of the study:

STATISTICAL OVERVIEW

Number of cases of alleged corruption reported

There were **106799** calls reported to the NACH between the period 01 September 2004 to 31 August 2010. These 106 799 *calls include such calls meant to add-on information, requesting advice, children playing on the phones, dropped calls, making enquiries, requesting feedback on cases reported, test calls and wrong number dialed.*

Out of the 106 799 calls, the total case reports of alleged corruption generated are seven thousand nine hundred and twenty two (**7922**) between the period 01 September 2004 to 31 August 2010. These are the cases where after analysis, there was a need for further investigation and such cases were referred to both national and provincial departments, and public entities for investigations.

There were four thousand and twenty (**4020**) cases of alleged corruption that were referred to provincial departments for investigation. Of these cases, the largest proportion of allegations was in relation to the Gauteng Province with one thousand two hundred and twenty three (**1223**) cases. Other provinces accounting for large numbers of cases of alleged corruption were Mpumalanga with seven hundred and seventy six (**796**) cases, Eastern Cape with four hundred twenty eight (**428**) cases and KwaZulu-Natal with four hundred and seventeen (**417**) cases. The Northern Cape Province had the smallest number of cases of alleged corruption reported (**72**), which largely correlates with the relatively small size of the public service in the province.

A total of three thousand five hundred and forty five (**3545**) cases were referred to National Departments for investigation. The largest number of allegations was in respect of the Department of Home Affairs, with eight hundred and two (**802**) cases followed by the Department of Correctional Services with seven hundred and thirteen (**713**) cases. The number of allegations made against departments largely correlates with the size of the department. However, in the case of Home Affairs a contributing factor may also be the nature of services that it provides.

Furthermore, there were three hundred and fifty seven (**357**) cases of alleged corruption referred to public entities. The largest portion of cases of alleged corruption was referred to the South African Social Security Agency (SASSA) for investigation i.e. two hundred and forty six (**246**).

The manner in which cases of corruption are reported

An analysis of the cases of alleged corruption received shows that 65% of the cases were reported by anonymous callers or informants through the toll free number. Twenty percent (20%) of the cases were reported by callers who were willing to disclose their personal details. The number of anonymous allegations received during 2009/2010 has increased from 40% to 65% compared to period 2007/2008. This could be an indication that members of the public and public servants are still afraid of victimization and intimidation by those involved in corrupt activities.

Eight percent (8%) of the cases were reported through facsimile whereas 4% of the cases were reported through walk-in disclosures at the Office of the Public Service Commission. Three percent (3%) of the cases were reported through e-mail.

Languages in which corruption is reported

Since the inception of the NACH, whistleblowers have been encouraged to use the language of their preference. To this end, 53% of calls were received in English, 11% in IsiZulu, Afrikaans (9%), isiXhosa (6%), Sepedi (5%), seSotho (4%), Tshivenda (3%), IsiNdebele (3%), isiSwati (2%), SeTswana (2%) and Xitsonga (2%). The majority of cases were reported in English and IsiZulu. The PSC has been aware of these trends and as a result, efforts to produce brochures that could promote reporting of cases in languages other than English have been made since the 2009/2010 financial year.

Nature of cases of alleged corruption reported to the NACH

The following are the most cases of alleged corruption that were reported to the NACH during the period of assessment:

- fraud and bribery, with a total of one thousand five hundred and twenty two (1522).
- abuse of government resources with nine hundred and ninety five (995);
- mismanagement of Government funds with eight hundred and eighty nine (889);
- identity document fraud with seven hundred and eighty one (781);
- procurement irregularities were seven hundred and twenty (720);
- appointment irregularities with six hundred and twenty seven (627);
- corruption relating to criminal conduct with five hundred and eighty eight (588);
- unethical behaviour were six hundred (600); and
- corruption relating to RDP housing fraud were four hundred and fifty (450);
- social grant fraud with four hundred and forty cases (440)
- poor service delivery (310), see Appendix B.

ACHIEVEMENTS/GAINS MADE BY NACH

The success of the NACH is largely dependent on the extent to which departments investigate the cases referred to them and the action taken against those found guilty. It is, therefore, of concern that the PSC received feedback on only two thousand nine hundred and forty eight (**2948**) cases i.e. (37%) out of the seven thousand nine hundred and twenty two (**7922**) cases that were referred to Departments. The slow rate of feedback could be attributed to a lack of investigative capacity by departments or it could be due to a lack of

accountability by senior managers to deal effectively with NACH cases referred to departments.

Since 01 September 2004 to 31 August 2010, only **1821** (23%) cases were closed on the CMS after investigations were finalized by the respective departments.

A total of **1273** officials were charged with misconduct for corrupt activities. At the provincial level, a total of **600** officials were charged with misconduct for corrupt activities whilst **673** officials were charged with misconduct for corrupt activities at National Departments. A total of **226** officials were suspended.

The following are the types of sanctions that were taken against the officials that were charged with misconduct:

- **603** officials were dismissed from the Public Service
- **226** officials were suspended
- **134** officials were fined (e.g. not receiving three months salary)
- **16** officials were demoted
- **330** officials were given final written warnings
- **190** officials were prosecuted

The successful investigation of cases of alleged corruption reported to the NACH has resulted in the recovery of **R110** million from the perpetrators by various departments.

CHALLENGES AND WEAKNESSES WITH RESPECT TO THE MANAGEMENT OF THE NACH

The challenges and weaknesses reflected in this report relate to the PSC's capacity to investigate cases, handling of case reports by Departments which include investigation of cases and responses to the PSC.

Finalization of cases by Departments

In terms of the NACH protocols, cases of alleged corruption are closed on the CMS of the NACH when the matter has been investigated and disciplinary actions are concluded. Previous studies of the PSC into the investigation of the NACH cases have shown that Departments generally do not investigate cases of alleged corruption reported on the NACH and referred to them. According to the CMS, two thirds of cases of alleged corruption reported on the NACH are still outstanding. The problems appear to be the lack of investigative capacity and the fact that departments do not have appropriate structures or specialized units to deal with cases of alleged corruption as required by the Minimum Anti-Corruption Capabilities set by Cabinet. The PSC has also noted that there are cases which need only verification into departmental records, but departments do not give such feedback on the cases. Cases that need system verification are social grant fraud, identity document fraud and RDP housing fraud. Failure to investigate these cases may send out an improper message of tolerance of corruption to the wider public.

In order to sustain the integrity and credibility of the NACH, departments will have to play a much more active and speedy role in the investigation and finalization of reported cases to ensure that the public gets the necessary feedback.

Protection of whistleblowers and Investigators

One of the key issues in the effective management of the NACH relates to the reporting of cases of alleged corruption to the NACH. In this regard, it was reported by departments that whistleblowers and investigators are sometimes intimidated by senior officials and Executive Authorities when reporting corrupt activities or investigating cases of alleged corruption reported on the NACH. Such conduct if it really exists, undermines efforts to handle issues of reported corruption in the respective departments.

RECOMMENDATIONS

The PSC remains committed to contributing towards the eradication of corruption in the Public Service. It is the PSC's view that fighting corruption is a joint effort and that all role players should be actively involved if desired results are to be obtained. Based on its assessment of the effectiveness of the NACH, the PSC has identified a number of areas that require further strengthening. The following are the recommendations:

Addressing the challenges regarding the management of the NACH

The PSC recommends that departments give urgent attention to the following issues:

- There must be regular performance audits by departments on the management of cases of alleged corruption referred to them. This means that the cases referred to departments and the feedback provided to the PSC must be scrutinized closely. Such scrutiny or audits will encourage departments to investigate cases of alleged corruption referred to them timeously. The outcome of such audits should be reported to the respective executive Authorities and committees of the legislatures.
- Departments should establish a monitoring system to track and analyse trends of their own cases of alleged corruption. Such analysis will allow them to identify corruption cases reported to them and thereby establish responsive strategies to deal with such trends.
- The PSC has come to realize that investigators do not receive adequate resources from their respective departments to conduct full scale investigations on cases of alleged corruption. Furthermore, investigators often do not have the requisite knowledge and skills to deal with complex cases of alleged corruption. It is recommended that adequate resources be made available by departments in order to respond to such needs proactively.

Protection of whistleblowers and investigators

Whistleblowers are the main source of information pertaining to corrupt individuals or practices. Therefore, they should be protected from the ostracisation which occurs to them. Similarly, anti-corruption investigators may come across sensitive information in the course of their investigation pertaining to corrupt individuals or practices. The exposure of such practices may subject them to occupational detriment. The Protected Disclosures Act of 2000, stipulates that *"no employee may be subjected to any occupational detriment by his or her employer on account or partly on account, of having made a protected disclosure"*. The

Act, however, does not provide for the protection of the identity of the whistleblower to be kept confidential, particularly in instances where the whistleblower is the only available witness and secondly the investigators and whistleblower's safety pursuant to exposing fraud and corruption.

The PSC recommends that the Department of Justice and Constitutional Development should review the Protected Disclosures Act of 2000 to include strict protection of the whistleblowers as they are the main source of information on corrupt activities. The Protected Disclosures Act of 2000 should also ensure the protection of investigators who are in pursuit of exposing fraud and corruption in the course of their investigations. Departments must provide for the protection of whistleblowers in their whistle-blowing policies.

CONCLUSION

Since its inception in 2004, the NACH has proved to be an important mechanism in the fight against corruption in the Public Service. This report has highlighted significant achievements through the investigation of cases of alleged corruption that were reported to the NACH. Large sums of money to the tune of R110 million have also been recovered. Whilst these achievements are laudable various constraints continue to be experienced by departments in the management of cases referred to them through the NACH. Key to such constraints is lack of capacity to investigate the cases referred and provide necessary feedback to the PSC.

CHAPTER 1: INTRODUCTION

1.1 Background

In 2004, the Cabinet mandated the PSC to manage the National Anti-Corruption Hotline (NACH). The NACH became operational with effect from 1ST September 2004. Cases received from the NACH are forwarded to departments (both national and provinces), agencies and public bodies in accordance with agreed protocols. These departments, agencies and public bodies are required to investigate the cases and provide feedback to the PSC. Feedback on the cases investigated is captured on the Case Management System (CMS) of the NACH on a regular basis.

Key to the mandate the PSC received in managing the NACH is that it would from time to time evaluate the efficacy of the NACH and recommend improvements where necessary. This report is the third biennial report on measuring the effectiveness of the NACH and reflects on the management of cases received through the NACH from September 2004 to 31 August 2010. In doing so, the report examines the number and nature of cases received, successes achieved and constraints experienced in the management of the NACH. Information on cases covered by the second biennial report is also provided for comparative purposes, and to assess the extent to which progress has been made with the finalization of such cases.

The NACH is a tool designed to enable concerned members of the public and government employees to report any form of suspected corruption. Callers or whistleblowers are guaranteed anonymity. Most importantly, the NACH is also regarded as a tip-off tool in terms of reporting allegations of corruption. A tip-off is regarded as an incident where the caller calls the NACH whilst an act of corruption is occurring so that necessary investigations can take place. Furthermore the allegations reported are immediately brought to the attention of the relevant Law Enforcement Agency or department, and on various occasions in the past, the perpetrators were caught “red-handed”.

1.2 Mandate of the PSC

The PSC has a very specific mandate in relation to the promotion of professional ethics in the Public Service. In terms of this mandate the following sections of the Constitution, 1996¹ are applicable:

“195 (1) (a) to promote a high standard of professional ethics in the Public Service”,

“196(4) (b) to investigate, monitor and evaluate the organisation and administration, and the personnel practices, of the public service;”

“196(4) (f)(i) to investigate and evaluate the application of personnel and public administration practices, and to report to the relevant executing authority and legislature;”

The following sections of the Public Service Commission Act, 1997 are applicable in PSC’s execution and its mandate.

¹Republic of South Africa, the Constitution of the Republic of South Africa, 1996, Act 108 of 1996.

- “8. *Subject to the provisions of the Constitution, the Commission may exercise the powers and shall perform the duties entrusted to the Commission by or under this Act, the Constitution or the Public Service Act.*
9. *The Commission may inspect departments and other organisational components in the Public Service, and has access to such official documents or may obtain such information from heads of those departments or organisational components or from other officers in the service of those departments or organisational components as may be necessary for the performance of the functions of the Commission under the Constitution or the Public Service Act.*”

Given the above, the PSC is mandated to monitor and evaluate public administration practices and investigate certain categories of calls that will be received on the NACH. To this end, the PSC, is therefore, empowered to report on the management of the NACH on biennial basis.

1.3 Objectives of the assessment

The following are the objectives of the study:

- To provide a concise analysis of the cases submitted to the NACH;
- To identify challenges and weaknesses with respect to the management of the NACH, starting from the Call Centre, referral to departments and handling of case reports by Departments (including investigation of cases and responses from Departments);
- To report on the achievements/gains made by departments regarding the successful investigation of cases of alleged corruption; and
- To provide recommendations on how the management of the NACH can be improved as well as recommending actions for departments to fast-track the investigation of cases of alleged corruption.

1.4 Outline of the report

The structure of this report is as follows:

Chapter 2: Outlines the methodology applied during the study.

Chapter 3: Presents findings on the management of cases of alleged corruption reported to the NACH.

Chapter 4: Presents recommendations and conclusion of the study.

CHAPTER 2: METHODOLOGY

2.1 Introduction

This Chapter outlines the scope and methodology applied during the study. The methodology includes the data collection of the study, data analysis and the limitations of the study.

2.2 Scope

The scope of the study covered all the corruption cases reported to the NACH from 01 September 2004 to 31 August 2010.

2.3 Methodology applied

The methodology applied was as follows:

2.3.1 Self administered questionnaires

A questionnaire regarding the management of the NACH was designed by the PSC to assess the handling of NACH cases by the respective departments. The questionnaire wanted to establish the extent to which the PSC's recommendations contained in the first Report on the NACH was implemented and to establish constraints experienced by departments in the management of NACH cases. This questionnaire was forwarded to the Offices of Premiers in all nine provinces, and to the following selected eleven (11) national departments and Public entity:

- Department of Justice and Constitutional Development
- Department of Home Affairs
- Department of Trade and Industry
- Department of Police
- Department of Correctional Services
- Department of Water Affairs
- Department of Arts and Culture
- Department of Agriculture, Forestry and Fisheries
- Department of Environmental Affairs
- Department of International Relations and Co-operation
- National Prosecuting Authority

2.3.2 Desktop literature review

In addition to information requested from departments, information was drawn from the CMS of the PSC on the number of cases referred to the departments, the nature of allegations reported and the outcome of investigations by departments since the inception of the NACH in September 2004. A comparison was made between the information extracted in respect of each of the financial years since the inception of the NACH in order to establish trends. The data received from departments was compared to data available on the CMS at the PSC in order to verify if all cases referred by the PSC to such departments had been received by them and that such cases were investigated.

2.3.3 Consultative workshops on the management of the NACH

Five consultative workshops were held with departments in the Gauteng Province during June 2010. During these workshops, challenges experienced by the PSC and departments in the management of the NACH were discussed. The information obtained during the workshops was analyzed and used in the assessment of the effectiveness of the NACH. Information was also drawn from the workshops previously held in the Mpumalanga, Free State, and with National Departments during 2008 for comparison purposes.

2.3.4 Data Analysis

The information received from departments was captured and analysed according to the following thematic areas:

- Number of cases of alleged corruption received from the NACH.
- Number of cases of alleged corruption outstanding or still to be investigated.
- Total number of cases investigated.
- Number of officials dismissed after being found guilty of corruption or fraud.
- Number of officials suspended after allegations of corruption was levelled against them.
- Number of officials served with warnings after being found guilty of corruption or fraud.
- Number of officials fined after being found guilty of corruption or fraud.
- Number of officials demoted after being found guilty of corruption or fraud.
- Number of officials prosecuted because of alleged corruption.
- The amount of money recovered from perpetrators of corruption.

2.4 Limitations of the study

The key limitation to the study was that there were departments that did not provide adequate information and as a result, the analysis of the information from such departments was limited. Departments in KwaZulu-Natal, North West, Free State and Northern Cape did not submit the required information and as a result their inputs were not included in the present study.

CHAPTER 3: FINDINGS

3.1 INTRODUCTION

This Chapter presents the findings of the study. The findings are presented according to the themes derived from the objectives of the study. The themes are statistical overview, achievements made through NACH and challenges experienced with regard to the management of the NACH.

3.2 STATISTICAL OVERVIEW

3.2.1 Number of cases of alleged corruption reported.

This report focuses on the corruption related cases referred to the NACH. Since its inception (01 September 2004) and as at 31 August 2010, the NACH had received a total of **10700** cases of alleged corruption. After an evaluation of the cases, the PSC found that only **7922** cases were indeed related to corruption. The remaining cases (**2278**) were either outside the mandate of the Public Service or were cases of a frivolous/ vexatious/tactical nature. In addition, among the 2778 cases, there were cases where critical factual gaps exist, rendering the likelihood of a successful conclusion doubtful or impossible (e.g. no or inadequate description of person (s) involved. A breakdown of cases as registered on the CMS is shown at **Figure 1** below.

Figure 1 below provides the statistics on the cases of alleged corruption reported to the NACH between 2004 and 2010.

Figure 1: Statistics on the NACH: 1 September 2004 to 31 August 2010

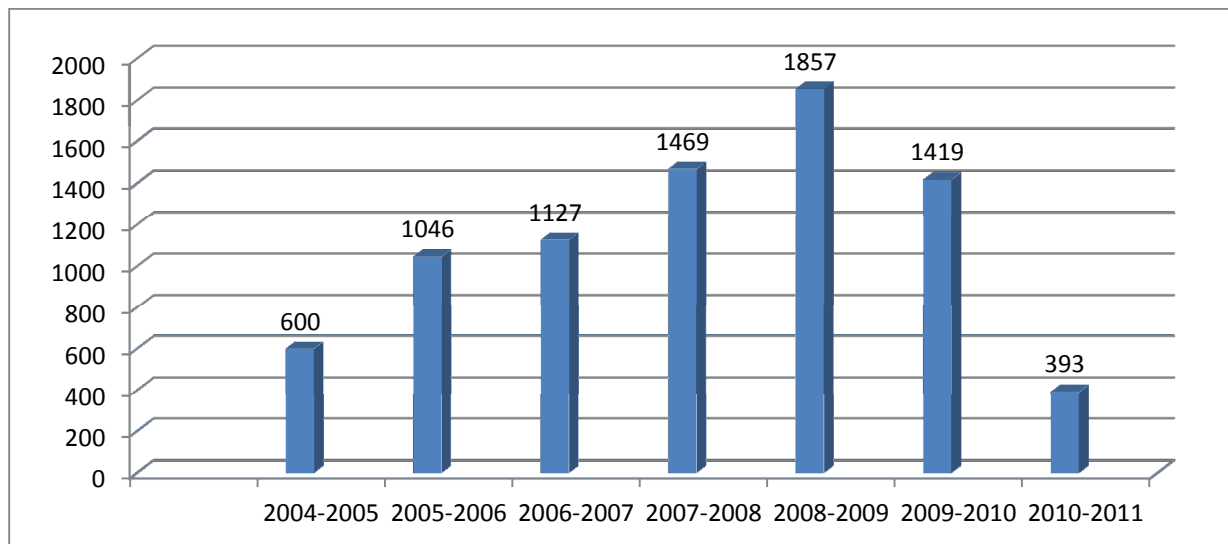


Figure 1 above shows that since the inception of the NACH in 2004, most cases were reported in 2008/09 financial year. In 2008, the PSC indicated that *“most of the cases reported on the NACH include the mismanagement of government funds, abuse of government vehicles, procurement irregularities, unethical behaviour, social grant fraud,*

appointment irregularities and corruption relating to RDP Housing”.² Almost two (2) years later, these trends have remained largely the same.

The total number of calls received by the NACH for the period 01 September 2004 to 31 August 2010 is **106799** as shown on **Table 1** below (*the calls include add-on information, those requesting advice, children playing on the phones, dropped calls, making enquiries, requesting feedback on cases reported, test calls and wrong number dialed*).

Out of the 106 799 calls, the total case reports of alleged corruption generated by the PSC are seven thousand nine hundred and twenty two **7922** cases. These cases were referred to national and provincial departments and public entities for investigations.

The NACH also received **1372** abusive calls, **3254** calls of children playing on the phones and **5694** dropped calls. Abusive calls put a strain on the capacity of the NACH as they also have to be attended to by the Call Center agents. **Table 1** below shows the breakdown of all the calls received through the NACH since its inception up to 31 August 2010.

Table 1: Total number of calls received on the NACH from 01 September 2004 to 31 August 2010

<i>Calls lodged on the NACH</i>	<i>Number of calls</i>
<i>Abusive calls³</i>	<i>1372</i>
<i>Calls providing add-on information</i>	<i>3580</i>
<i>Calls requesting advice</i>	<i>1546</i>
<i>Children playing on the phones⁴</i>	<i>3254</i>
<i>Dropped calls⁵</i>	<i>5694</i>
<i>Calls making enquiries</i>	<i>35808</i>
<i>Calls requesting feedback on cases reported</i>	<i>31269</i>
<i>Caller decided to terminate the call before information has been captured</i>	<i>16</i>
<i>Test calls⁶</i>	<i>801</i>
<i>Wrong number⁷</i>	<i>23459</i>
TOTAL CALLS RECEIVED	106799
<i>Reports on alleged corruption generated from calls received</i>	<i>7548</i>
OTHER MEANS OF COMMUNICATION TO THE NACH SYSTEM	
<i>Fax</i>	<i>245</i>
<i>Walk-in disclosures</i>	<i>50</i>
<i>E-mail</i>	<i>79</i>
TOTAL REPORTS ON ALLEGED CORRUPTION GENERATED	7922

Table 1 above also shows that there were 245 cases of alleged corruption reported through fax, 79 through e-mail and 50 cases through walk-in disclosures. All these cases are registered on the CMS of the PSC.

² Republic of South Africa, Public Service Commission: Measuring of the Effectiveness of the National Anti-Corruption Hotline: Second Biennial Report: 2008.

³ Abusive calls: Calls where the callers yell at and make rude remarks to the call operators.

⁴ Children playing on the phones: Calls indicative of children playing and not reporting anything to the NACH.

⁵ Dropped calls: Calls dropped by the callers when they are afraid to provide further information.

⁶ Test calls: Calls where the callers seek clarity on whether the Hotline number is functioning 24 hours a day and whether or not the number is operative.

⁷ Wrong number: Calls where callers indicate they have dialed an incorrect number.

3.2.2 Manner of reporting cases of alleged corruption on the NACH

The NACH receives cases of alleged corruption through various methods that include phone calls, fax, e-mail and walk in disclosures. An analysis of the cases received indicates that (65%) were reported by anonymous callers through the toll free number. Thirty five percent (35%) of the cases were reported by whistleblowers that were willing to disclose their personal details.

Figure 2: Comparison of the methods of reporting alleged corruption

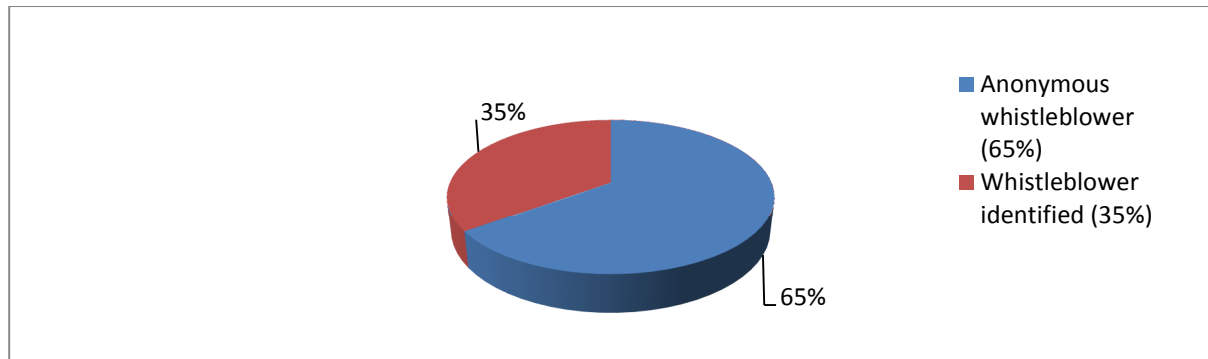
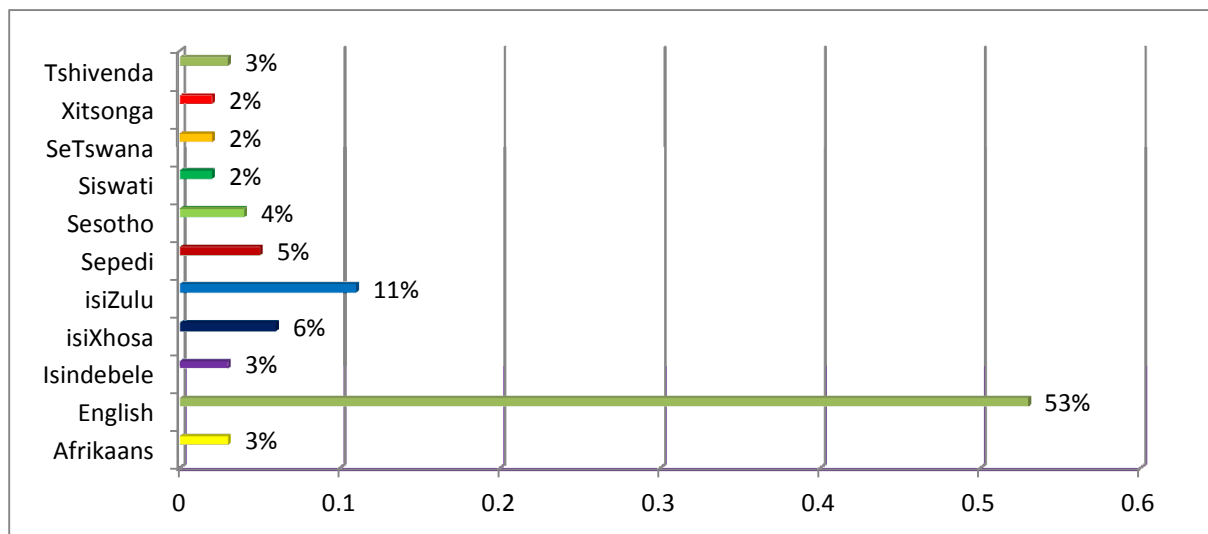


Figure 2 above shows that the majority of people who reported alleged corruption through the NACH preferred to remain anonymous. People who choose to remain anonymous make the investigation to finalize the cases difficult especially where there would be missing information or disputed information. Necessary follow-up cannot be conducted with such whistleblowers. However, this is understandable due to possible harassment of the whistleblowers by those reported to be involved in corruption.

3.2.3 Languages used by callers in reporting alleged corruption to the NACH

The NACH provides for the reporting of corruption in all eleven (11) the official languages of South Africa. **Figure 3** below shows the languages used by callers in reporting cases of alleged corruption to the NACH.

Figure 3: Language Breakdown: September 2004 to 31 August 2010



Since the inception of the NACH, whistleblowers have been encouraged to use the language of their preference when reporting cases of alleged corruption. The findings show that 53% of calls were received in English, 11% in IsiZulu, Afrikaans (9%), isiXhosa (6%), Sepedi (5%), seSotho (4%), Tshivenda (3%), IsiNdebele (3%), isiSwati (2%), SeTswana (2%) and Xitsonga (2%). The majority of cases were reported in English and IsiZulu. The PSC has been aware of the trends in the usage of languages and as a result, efforts to produce brochures that could encourage and promote reporting of cases in languages other than English were made and in future brochures will be translated into languages such as Sepedi, seSotho, Tshivenda, IsiNdebele, isiSwati, SeTswana, and Xitsonga in order to promote wider usage of these languages for reporting cases of alleged corruption in the Public Service. It is hoped that with the usage of all languages, more whistleblowers will come forward and report allegations of corruption with confidence.

3.2.4 Cases of alleged corruption referred to national and provincial departments and public entities during 01 September 2004 to 31 August 2010

A total of 7922 cases were referred to national and provincial departments and public entities. An overview of the total number of cases referred to national and provincial departments and public entities during the period 01 September 2004 to 31 August 2010 is provided in **Table 2** below.

Table 2: Cases of alleged corruption referred to national and provincial departments and public entities during 01 September 2004 to 31 August 2010

<i>Departments</i>	<i>2004/ 2005</i>	<i>2005/ 2006</i>	<i>2006/ 2007</i>	<i>2007/ 2008</i>	<i>2008/ 2009</i>	<i>2009/ 2010</i>	<i>2010/ 2011</i>	<i>Total</i>	<i>Feedback received</i>	<i>Cases closed</i>
<i>Provincial Departments</i>	390	498	566	747	868	744	198	4020 (51%)	1547 (39%)	904 (23%)
<i>National Departments</i>	207	540	542	653	877	612	114	3545 (45%)	1321 (37%)	854(24%)
<i>Public Entities</i>	3	8	19	69	112	74	81	357 (4%)	80 (22%)	63 (17%)
Total	600	1046	1127	1469	1857	1430	393	7922 (100%)	2948 (37%)	1821 (23%)

3.2.4.1 Cases of alleged corruption referred to Provincial Departments during 01 September 2004 to 31 August 2010

Table 3 below shows a breakdown of the number of cases of alleged corruption referred to provincial departments over the reporting period. **Table 3** shows that a total of four thousand and twenty (**4020**) cases of alleged corruption were referred to provincial departments for investigation. Of these cases, the largest proportion of allegations was in relation to the Gauteng Province with one thousand two hundred and twenty three (**1223**) cases. There were four (4) cases of alleged corruption referred to the Gauteng Provincial Legislature.

Table 3: Cases of alleged corruption referred to Provincial Departments during 01 September 2004 to 31 August 2010

<i>Name</i>	<i>Cases referred</i>	<i>Feedback received</i>	<i>Cases Closed</i>
<i>Eastern Cape</i>	428	83	19
<i>Free State</i>	203	50	27
<i>Gauteng</i>	1223	482	271
<i>KwaZulu Natal</i>	417	197	151
<i>Limpopo</i>	303	117	72
<i>Mpumalanga</i>	796	300	236
<i>North-West</i>	316	148	82
<i>Northern Cape</i>	72	17	16

<i>Western Cape</i>	<i>258</i>	<i>153</i>	<i>30</i>
<i>Total</i>	<i>4016</i>	<i>1547</i>	<i>904</i>

Other provinces that accounted for a large proportion of cases of alleged corruption were Mpumalanga Province with seven hundred and ninety six (**796**) cases, Eastern Cape Province with four hundred and twenty eight (**428**) cases and KwaZulu Natal Province with four hundred and seventeen (**417**) cases.

Furthermore, **Table 3** shows that the PSC has received feedback on only **1547**(39%) of the cases referred to provincial departments. Nine hundred and four (**904**) of these cases were, after successful investigation, closed on the CMS of the NACH. The lack of feedback and the slow closure rate of the cases of alleged corruption mean that whistleblowers are not receiving appropriate and timeous feedback on the allegations they have reported. Lack of such feedback might discourage whistleblowers to report corruption cases in future.

Perhaps the lack of feedback and slow closure rate of the cases of alleged corruption also suggest that provinces do not have meaningful investigative capacity. In its second Biennial Report on the measurement of the effectiveness of the NACH, the PSC found that only Gauteng, Mpumalanga and Western Cape Provinces had meaningful investigative capacity⁸. This capacity needs to be optimally used to impact on the rate at which cases of alleged corruption are investigated, finalized and closed. **Table 3** shows that only a small proportion of cases are being finalized in these three provinces. The PSC's state of the Public Service Report, 2010, called on government to commit as much resources as possible to address capacity constraints in relation to the investigation of corruption⁹.

3.2.4.2 Cases of alleged corruption referred to National Departments during 01 September 2004 to 31 August 2010

Table 4 below presents the number of cases of alleged corruption referred to National Departments during 01 September 2004 to 31 August 2010.

Table 4: Cases of alleged corruption referred to National Departments during 01 September 2004 to 31 August 2010

<i>Name of Department</i>	<i>Cases received</i>	<i>Feedback received</i>	<i>Cases Closed</i>
<i>Agriculture, Forestry and Fisheries</i>	<i>10</i>	<i>4</i>	<i>4</i>
<i>Arts and Culture</i>	<i>8</i>	<i>3</i>	<i>3</i>
<i>Basic Education</i>	<i>10</i>	<i>0</i>	<i>0</i>
<i>Communications</i>	<i>13</i>	<i>3</i>	<i>1</i>
<i>Correctional Services</i>	<i>713</i>	<i>404</i>	<i>322</i>
<i>Cooperative Governance</i>	<i>248</i>	<i>3</i>	<i>2</i>
<i>Defence</i>	<i>58</i>	<i>22</i>	<i>3</i>
<i>Energy</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Government Communications and Information System</i>	<i>4</i>	<i>0</i>	<i>0</i>
<i>Government Employees Pension Fund (GEPF)</i>	<i>5</i>	<i>3</i>	<i>2</i>
<i>Health</i>	<i>16</i>	<i>2</i>	<i>1</i>
<i>Higher Education</i>	<i>6</i>	<i>6</i>	<i>0</i>
<i>Home Affairs</i>	<i>802</i>	<i>252</i>	<i>143</i>
<i>Human Settlements</i>	<i>22</i>	<i>6</i>	<i>2</i>
<i>Independent Complaints Directorate</i>	<i>324</i>	<i>175</i>	<i>110</i>

⁸ Republic of South Africa, Public Service Commission: Measuring of the Effectiveness of the National Anti-Corruption Hotline: Second Biennial Report: 2008.

⁹ Republic of South Africa, Public Service Commission: State of the Public Service Report, 2010.

<i>International Relations and Co-operation</i>	15	4	4
<i>Justice and Constitutional Development</i>	203	66	29
<i>Labour</i>	54	18	7
<i>Minerals Resources</i>	4	2	1
<i>National Treasury</i>	13	6	2
<i>Public Administration Leadership and Management Agency</i>	1	1	1
<i>Public Enterprises</i>	2	2	2
<i>Public Service and Administration</i>	7	2	1
<i>Public Service Commission</i>	5	5	5
<i>Science and Technology</i>	4	3	3
<i>Public Works</i>	30	8	8
<i>South African Police Service</i>	361	179	120
<i>Social Development</i>	268	3	3
<i>Sport and Recreation</i>	3	0	0
<i>Statistics South Africa</i>	10	2	2
<i>State Security</i>	1	1	1
<i>The Presidency</i>	2	1	1
<i>Trade and Industry</i>	109	50	31
<i>Tourism</i>	22	20	8
<i>Transport</i>	10	1	1
<i>Water Affairs</i>	118	39	24
Total	3545	1321	854

A total of three thousand five hundred and forty five (**3545**) cases were referred to National Departments for investigation. The largest proportion of allegations was in relation to the Department of Home Affairs, with eight hundred and two (**802**) cases. Other departments that accounted for a large proportion of cases of alleged corruption were the Department of Correctional Services, with seven hundred and thirteen (**713**) cases, the South African Police Service (SAPS), with three hundred and sixty one (**361**) cases, the Independent Complaints Directorate, with three hundred and twenty four (**324**) cases and Social Development, with two hundred and sixty eight (**268**) cases.

Cases of alleged corruption implicating Mayors and Councillors were referred to the Department of Cooperative Governance. In this regard, the PSC referred two hundred and forty eight (**248**) cases for investigation. Cases relating to officials employed at the municipalities are referred to the Directors-General in the Offices of the Premier in the respective Provinces for investigation. The investigations into these cases are still pending and no feedback has been provided to the PSC in all of these cases.

Cases of alleged corruption referred to the Independent Complaints Directorate (ICD) were in relation to police officers who were alleged to have been involved in corrupt activities. In terms of the existing protocol, the ICD investigates cases of alleged corruption concerning police officers. The cases referred to the SAPS are not always about the police officers. This is because, in addition to the normal cases of alleged corruption (e.g. involving police officers) the Prevention and Combating of Corrupt Activities Act, Act no.12 of 2004¹⁰ requires that all cases of alleged corruption involving an amount of R100 000 or more be reported to the SAPS for investigation. Therefore, some of the cases involving Public Servants other than police officials are referred to the SAPS as well. To this end, it needs to be mentioned that the PSC referred more than fifty nine (**59**) cases that involved an amount of over R100 000 each to the SAPS during the reporting period. However, no successes in terms of the recovery of funds and/or conviction and sentencing of alleged perpetrators have been reported to the PSC by the SAPS in this regard.

¹⁰Republic of South Africa: Prevention and Combating of Corrupt Activities Act, Act no 12 of 2004.

3.2.4.3 Cases of alleged corruption referred to Public Entities¹¹ during 01 September 2004 to 31 August 2010

Table 5 below presents the number of cases of alleged corruption referred to public entities over the reporting period. Three hundred and fifty seven (**357**) cases of alleged corruption were referred to public entities. The largest portion of cases of alleged corruption was referred to the South African Social Security Agency (SASSA) for investigation i.e. two hundred and forty six (**246**). These cases primarily involved social grant fraud related to disability and children grant payouts. Thirty six (**36**) cases related to tax fraud were referred to the South African Revenue Services and thirty (**30**) cases of alleged corruption involving syndicates or organized crime were referred to the National Prosecuting Authority. Cases referred to SARS are closed on the CMS of the NACH as they fall outside of the mandate of the Public Service.

The PSC also referred four (4) cases of alleged corruption to institutions such as Bargaining Council for Freight Industry, Construction Education and Training Authority, Interpol and South African Graduates Association. Cases referred to these institutions are closed as they fall outside of the mandate of the Public Service.

Table 5: Cases of alleged corruption referred to Public Entities during 01 September 2004 31 August 2010

<i>Public Entities</i>	<i>Cases received</i>	<i>Feedback received</i>	<i>Cases Closed</i>
<i>Health Profession Council of South Africa</i>	<i>3</i>	<i>3</i>	<i>3</i>
<i>Independent Electoral Commission</i>	<i>1</i>	<i>1</i>	<i>1</i>
<i>Judicial Service Commission</i>	<i>1</i>	<i>0</i>	<i>0</i>
<i>Magistrate Commission</i>	<i>12</i>	<i>7</i>	<i>4</i>
<i>National Prosecuting Authority</i>	<i>30</i>	<i>16</i>	<i>5</i>
<i>Public Protector</i>	<i>22</i>	<i>6</i>	<i>5</i>
<i>South African Security Agency (SASSA)</i>	<i>246</i>	<i>1</i>	<i>0</i>
<i>Special Investigating Unit</i>	<i>2</i>	<i>2</i>	<i>1</i>
<i>State Information and Technology Agency (SITA)</i>	<i>4</i>	<i>4</i>	<i>4</i>
<i>South African Revenue Service</i>	<i>36</i>	<i>36</i>	<i>36</i>
Total	357	80	63

3.2.5 Feedback received and closing of cases on the CMS

According to the NACH protocol, departments are requested to provide the necessary feedback to the case management centre via the PSC which in turn logs such feedback onto the database. Feedback on progress with the investigation of cases by departments is required within **40 days** from receipt of the referral from the PSC. Once the PSC receives feedback, it critically evaluates the information provided by the departments to determine whether the allegations were adequately investigated and whether or not the case could be closed on the CMS. One of the challenges that the PSC experiences in this regard is that departments do not submit detailed reports when providing feedback. In many instances, lack of details in the feedback received from departments delay the analysis of the cases to determine whether cases should be closed or not. The PSC has constantly approached departments, where necessary, and requested them to provide detailed reports so that the PSC could consider finalization and closure of cases on its CMS.

¹¹ Public Entities refer to Public Institutions listed in Public Finance Management Act schedule 1, 2, 3A, 3B, 3C and 3D as at 1 April 2010.

Table 6: Feedback received per year

<i>Departments</i>	<i>Feedback received</i>							
	<i>2004-2005</i>	<i>2005-2006</i>	<i>2006-2007</i>	<i>2007-2008</i>	<i>2008-2009</i>	<i>2009-2010</i>	<i>01 April 2010- 31 August 2010</i>	<i>TOTAL</i>
<i>National and provincial departments, and public entities</i>								
<i>Provincial Departments</i>	<i>316</i>	<i>250</i>	<i>298</i>	<i>277</i>	<i>234</i>	<i>171</i>	<i>1</i>	<i>1547</i>
<i>National Departments</i>	<i>114</i>	<i>175</i>	<i>265</i>	<i>374</i>	<i>302</i>	<i>87</i>	<i>4</i>	<i>1321</i>
<i>Public Entities</i>	<i>16</i>	<i>36</i>	<i>7</i>	<i>10</i>	<i>9</i>	<i>2</i>	<i>0</i>	<i>80</i>
Total feedback	446	461	570	661	545	260	5	2948
Feedback as percentages of cases referred	74%	44%	51%	45%	29%	18%	1.3%	37%

Source: PSC Case Management System

Table 6 above shows that since the inception of the NACH, the PSC received feedback on two thousand nine hundred and forty eight (**2948**) cases out of seven thousand-nine hundred and twenty two (**7922**) cases that were referred to departments and public entities. This means that the PSC received feedback on 37% of cases that were referred to departments and public bodies.

The highest rate of feedback received was in respect of the 2004/2005 financial year with 74%, followed by 2006/2007 financial year with 51%. The PSC noted that there is a slow feedback rate with regard to cases of alleged corruption referred to departments and public entities for investigation. During the period from 01 April 2010 to 31 August 2010, the PSC received feedback on 1.3% of the 393 cases that were referred to departments and public entities.

The slow feedback rate could be attributed to the fact that departments seem to wait to submit feedback to the PSC once the investigations are completed. Most of the departments seem not to realize the need to update the PSC with the progress made with the investigations. Such feedback would at least make the PSC and the whistleblowers aware of the efforts made by the departments to finalize the cases referred to them. However, a slow feedback rate could be due to a lack of investigative capacity in departments.

The PSC finalizes and closes cases on the CMS of the NACH that are thoroughly investigated and substantiated. However, the findings show that the median time taken by departments to finalize a case is almost three months or more. In terms of existing protocols, feedback to the PSC should be provided within 40 days after a case of alleged corruption has been referred to a particular department. To this end, departments should speed up the investigation processes in order to comply with NACH protocols and ensure speedy finalization and closure of the cases reported.

Table 7 below shows the number of cases closed on the CMS. Since 01 September 2004 to 31 August 2010, only 1821 (23%) cases were closed on the CMS after investigations were finalized by departments. A total of nine hundred and four (904) cases that were closed, were in respect of provincial departments whereas eight hundred and fifty four (854) cases were in respect of national departments. Sixty three (63) cases that were closed pertained to public entities. National departments had the smallest number of cases closed (854) compared to (904) of the provincial departments.

The highest rate of closed cases was in respect of the 2007/2008 financial year with 27%, followed by 2004/2005 and 2005/2006 financial years with 26%. The lowest rate of

feedback received was in respect of the financial year 2009/2010. During the period from 01 April 2010- 31 August 2010, the PSC closed the lowest rate of cases on the CMS. It should be noted that this period was not a full financial year as it is the case with other financial years referred in this report.

Table 7: Cases closed per year

<i>Departments</i>	<i>Closed cases</i>							
<i>Item</i>	<i>2004-2005</i>	<i>2005-2006</i>	<i>2006-2007</i>	<i>2007-2008</i>	<i>2008-2009</i>	<i>2009-2010</i>	<i>As at 31 August 2010</i>	<i>TOTAL</i>
<i>Provincial Departments</i>	98	112	111	164	236	182	1	904
<i>National Departments</i>	54	128	143	225	232	70	2	854
<i>Public Bodies</i>	1	36	5	14	4	3	0	63
TOTAL CLOSED CASES	153	276	259	403	472	255	3	1821
Percentage	26%	26%	23%	27%	25%	18%	0.8%	23%

In its report on the “*Measuring of the Effectiveness of the National Anti-Corruption Hotline: Second Biennial Report*” published in 2008 the PSC found that “challenges experienced by departments in the handling of NACH cases appear to be linked to the lack of investigation capacity and the fact that departments do not have appropriate structures or specialized units to deal with cases of alleged corruption as required by the Minimum Anti-Corruption Capabilities set by Cabinet”¹². In an attempt to enhance investigation capability in the Public Service, the PSC, in its report on “*Profiling and analysis of the most common manifestations of corruption and its related risks in the Public Service*” published in 2011 recommends that “provinces must establish centralized Anti-Corruption Investigation Units”¹³. The Anti-Corruption Investigation Units have potential to ensure that there is proper coordination of cases in provincial departments. It is also hoped that with such units in place, gathered evidence might not be tampered with and cases are likely to be thoroughly investigated.

3.2.6 Types of allegations of corruption cases referred to departments for the period 01 September 2004 to 31 August 2010

A wide-variety of types of alleged corruption has been reported to the PSC through the NACH. **Figure 4** below shows different types of cases of alleged corruption cases reported through the NACH since its inception on 01 September 2004 to 31 August 2010.

¹² Republic of South Africa, Public Service Commission: Measuring of the Effectiveness of the National Anti-Corruption Hotline: Second Biennial Report: 2008.

¹³ Republic of South Africa, Public Service Commission: Profiling and analysis of the most common manifestations of corruption and its related risks in the Public Service: 2011.

Figure 4: Nature of corruption reported since the inception of the NACH (for more information see Appendix B)

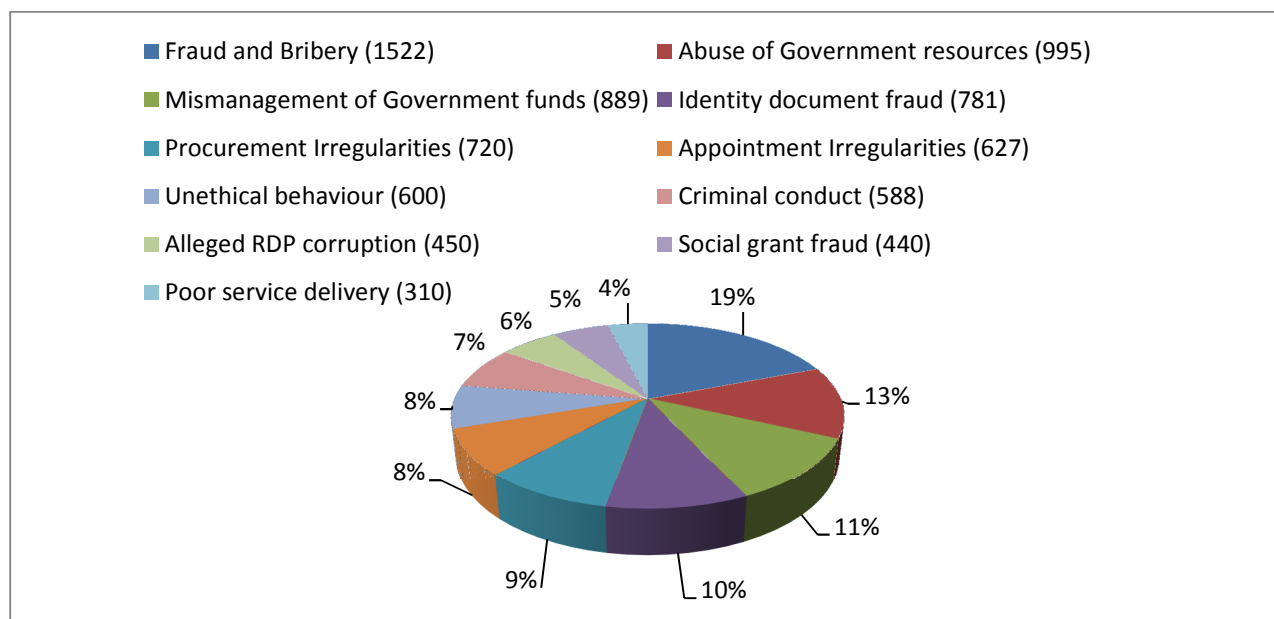


Figure 4 above shows that the top five categories of alleged corruption reported through the NACH since its inception are the following:

- Fraud and bribery (**1522**)
- Abuse of government resources/vehicles (**995**)
- Mismanagement of government funds (**889**)
- Identity document fraud(**781**)
- Procurement Irregularities (**720**)

The most common type of allegations received since the inception of the NACH on 1 September 2004 was on **fraud and bribery** (such as traffic officials receiving bribes from motorists and officials receiving kickbacks from members of the public in order to obtain Government tenders etc.), with a total of **1522** cases. This constitutes 19% of all allegations reported through the NACH.

There were nine hundred and ninety five (995) cases of alleged **abuse of Government resources** that were reported through the NACH. These include cases where officials were alleged to have driven government-owned vehicles recklessly and at high speed. Fifteen percent (15%) of the cases reported were in relation to theft of petrol from Government-owned vehicles as well as cases of abuse of petrol cards. Thirty five percent (**35%**) of the cases in this category also alleged that government-owned vehicles were being used as taxis for personal benefit. It was noted that the majority of cases of abuse of government vehicles were reported in Mpumalanga Province.

Of all the cases that were reported to the NACH, 889 (**11%**) cases involved alleged **mismanagement of government funds** by public officials. Seventeen percent (**17%**) of these cases relate to the mismanagement of school funds by teachers and school principals whilst **11%** involve senior managers giving unlawful instructions to junior officials to authorize a particular expenditure. There were also allegations that included irregular and fruitless expenditure (**24%**) and non compliance with the operational policies of a department or

public entity (37%). As previously reported by the PSC “proper financial management is one of the pillars of accountability and the number of cases involving irregular financial transactions reported to the NACH should be seen as a risk to the Public Service”¹⁴.

A total of **781 (10%)** cases of alleged **identity document fraud** by public servants and members of the public were reported to the NACH. In this regard, whistleblowers reported that officials from the Department of Home Affairs fraudulently sold South African identity documents, passports, birth and marriage certificates to foreign nationals, in return for financial gain. It is alleged that passports, death, birth and marriage certificates are being sold for anything from R600 to R2 500 each. Although three hundred and ninety two (**392**) officials were dismissed in the Department of Home Affairs, the number of cases of alleged corruption reported on the NACH concerning fraudulent South African identity documents has marginally decreased. There were 181 cases that were reported during the financial year 2008/2009 compared to 179 cases that were reported during 2009/2010 financial year. This finding still suggests that the department should tighten its Fraud and Prevention Plan

The findings of the study further show that a total of **720 (9%)** cases reported involved **procurement irregularities**. These cases involve collusion between a person involved in the awarding of a tender and an associate who is often a family member or friend seeking to win the tender. Such practices place a strain on government resources and increase the cost of public services. The area of procurement is a high risk area for corruption and maladministration in the Public Service. The PSC has previously reported that “*the monetary value associated with procurement transactions makes this an area specifically susceptible to collusion between private companies or individuals and public officials*”¹⁵.

Based on the nature and magnitude of corruption in the procurement area, it is necessary that the procurement process of government departments be streamlined to ensure corrupt-free procurement processes. To this end, the Minister of Finance has already made the following statement in his Medium Term budget Policy Statement:

*“Government will increase the monitoring capability of departments aimed at early detection of fraud. Departments and Government agencies will be required to provide specific information to Treasuries on their procurement practices”*¹⁶.

The Minister’s assertion is a positive development in the fight against corruption in the procurement area. Such initiative is likely to boost public trust in the State process with regard to fighting corruption in the Public Service.

¹⁴ Republic of South Africa, Measuring the Effectiveness of the NACH: Second Biennial Report, Public Service Commission, Public Service Commission, 1998.

¹⁵ Republic of South Africa, Measuring the Effectiveness of the NACH: Second Biennial Report, Public Service Commission, Public Service Commission, 1998.

¹⁶ Republic of South Africa, Medium Term Budget Policy Statement 2010 Speech by Pravin Gordhan, Minister of Finance.

3.3 ACHIEVEMENTS MADE BY THE DEPARTMENTS REGARDING THE INVESTIGATION OF CASES OF ALLEGED CORRUPTION REPORTED TO THE NACH

The NACH has made a significant contribution towards the fight against corruption in the Public Service since its inception. Through the NACH, members of the public have found a platform to report alleged corruption activities in their respective areas. As a result of the reported cases, a number of officials have been charged, dismissed or demoted once they were found guilty of corruption. Furthermore, a significant amount of money has also been recovered from the perpetrators of the corrupt activities in the Public Service. The following are the notable gains made as a result of the existence of the NACH:

3.3.1 Provincial Departments

The investigation of cases of alleged corruption at provincial level reported to the NACH resulted in the recovery of **R86 million** from the perpetrators. As a result of cases reported through the NACH, **600** officials were found guilty of corruption at provincial level. Of these, **285** officials were given final written warnings, and **125** officials were dismissed from the Public Service. One hundred and seventeen (**117**) officials were fined, **13** officials were demoted and **60** officials were prosecuted. A total of **85** officials were suspended. The following is the breakdown of the achievements/gains according to provinces:

3.3.1.1 Mpumalanga Province

In Mpumalanga, there were **133** officials found guilty of corruption as a result of cases reported to the NACH since its inception.

Table 8 below shows the outcome of alleged corruption cases referred to the Province since the inception of the NACH on 01 September 2004 to 31 August 2010. The province has managed to close 236 out of 796 cases of alleged corruption referred to its respective departments.

Table 8: Outcome of alleged corruption cases: Mpumalanga Province

Province	Outcome of investigations
Cases referred (796) Feedback received (300) Cases closed (236)	<ul style="list-style-type: none"> • An official's salary was frozen as result of misconduct. • An official was criminally charged for fraudulently redirecting an amount of R101 000.00 meant for poor and chronic sick people to her account. The official passed away while attending court proceedings. • An amount of R101 000.00 is in the process of being recovered by the Anti-Fraud Unit. • R600.00 was recovered from the misuse of a government vehicle by an audit official. • Salaries amounting to R42 600.72 were recovered from officials on account of misuse of a government vehicle. • The general recovery of debt from all departmental officials in the province including Further Education and Training (FET) colleges and debt regarding overpayments made to officials, exceeded allowances by officials, negligence and damages resulting in the loss of state equipment, undeserving payments by default made to officials, imposed fines, freezing of salaries of guilty officials and recovery due to theft and fraud on welfare

grants and illegal benefits from houses to officials that occurred during the past three financial years is **R9 million**. The money was recovered through collaboration between the Office of the Premier in Mpumalanga and Provincial Departments. During the 2010/2011 financial year, the following money was recovered from the provincial departments:

Department ¹⁷	Funds recovered
Education	R6 639.00
Health	R1 336 142.00
Public Works	R437 333.00
Roads & Transport	R168 643.00
Agric& Rural Dev.	R294 078.10
Premier's Office	R109 210.70
Finance	R134 763.00
Social Development	R105 858.00
Corporative Governance& Traditional	R107 149.80
Safety & Security	R38 269.67
Sports Arts & Culture	R20 597.50
Economic Development	R30 677.06
Legislature	R113 943.20
Human Settlement	R40 700.00
Total	R2 944 004.03

Mpumalanga Province	No of officials dismissed	No of officials suspended	No of officials fined	No of officials demoted	No of officials prosecuted	No of officials served with warnings
Total	54	50	2	5	0	24

In response to the recommendations of the PSC, the Mpumalanga Province indicated that it has established an Integrity Management Unit (IMU) which is divided into two Directorates, namely, Forensic Investigations and Education and Governance. The Directorate: Forensic Investigation is responsible for the investigation of cases of fraud and corruption whilst the Directorate: Education and Governance is responsible for education and training in professional ethics as well as the marketing of the NACH. The IMU comprises the following officials:

Investigation capacity of the Mpumalanga Province

Salary Level	Rank Designations
1x Level 14	General Manager: IMU
1x Level 13	Senior Manager: Education and Governance
1x Level 11	Manager: Forensic investigation
1x Level 9	Asst. Manager: Education & Governance
1x Level 9	Asst. Manager: Forensic investigation
1x Level 9	Asst. Manager: Forensic investigation
1x Level 9	Asst. Manager: Forensic investigation

3.3.1.2 Eastern Cape Province

In the Eastern Cape, there were 35 officials found guilty of corruption activities as a result of the cases reported through the NACH. **Table 9** below shows the outcome of alleged corruption cases with respect to the Province since the inception of the NACH in September 2004 and as at 31 August 2010. The actions against officials involved in corrupt activities in the Province had resulted in **R849 085.00** being recovered. Out of the **428** cases of alleged corruption referred to the provincial departments, only **19** cases of alleged corruption were

¹⁷ Information obtained from the provincial departments of the Mpumalanga Province.

closed on the CMS of the PSC. There is thus a need for a serious intervention by the Office of the Premier to ensure speedy finalization of NACH cases. The PSC noted that most departments in the province did not submit their statistics of the cases of alleged corruption referred to them.

Table 9: Outcome of alleged corruption cases: Eastern Cape Province

Province		Outcome of investigations																
Cases referred(428) Feedback received(83) Cases closed(19)		<ul style="list-style-type: none"> A company that was given a tender in the Department of Education in the Eastern Cape failed to complete its work and the Department recovered an amount of R849 085.00 during the 2009/10 financial year. Officials were either dismissed, suspended, demoted and prosecuted. 																
Departments ¹⁸	No of officials dismissed	No of officials suspended	No of officials fined	No of officials demoted	No of officials prosecuted	No of officials served with warnings												
Transport	13	0	0	0	12	5												
Provincial Treasury	1	2	0	1	1	0												
Human Settlements	0	0	0	0	0	0												
Total	14	2	0	1	13	5												
<p>The Provincial Treasury indicated that it has established a Forensic Investigation Unit (FIU) which is responsible for investigation of NACH cases. The FIU comprises of ten (10) officials as indicated below.</p> <p>Investigation Capacity of the Provincial Treasury</p> <table border="1"> <thead> <tr> <th>Salary Level</th> <th>Rank Designations</th> </tr> </thead> <tbody> <tr> <td>1x Level 13</td> <td>Director</td> </tr> <tr> <td>1 X Level 12</td> <td>Deputy Director</td> </tr> <tr> <td>1 x Level 11</td> <td>Deputy Director</td> </tr> <tr> <td>2 x Level 10</td> <td>Assistant Director</td> </tr> <tr> <td>5 x Level 8</td> <td>Labour Relations Practitioners</td> </tr> </tbody> </table> <p>The officials tasked with the investigation of allegations of corruption have background in auditing. The FIU has experienced a high staff turnover over the last six years of its existence. The FIU is in process of appointing new staff members. The proposed minimum requirements for the appointments are law and social sciences degree and five years relevant experience or eight years in the case of an individual without law and social sciences.</p>							Salary Level	Rank Designations	1x Level 13	Director	1 X Level 12	Deputy Director	1 x Level 11	Deputy Director	2 x Level 10	Assistant Director	5 x Level 8	Labour Relations Practitioners
Salary Level	Rank Designations																	
1x Level 13	Director																	
1 X Level 12	Deputy Director																	
1 x Level 11	Deputy Director																	
2 x Level 10	Assistant Director																	
5 x Level 8	Labour Relations Practitioners																	

3.3.1.3 Gauteng Province

There were 77 officials found guilty of corruption in Gauteng. **Table 10** below shows the outcome of investigation of the allegations of corruption reported on the NACH with regard to the Province. Out of 1219 cases of alleged corruption referred to the province, only 291 cases were closed on the CMS of the PSC. There is, therefore, a need for intervention by the Office of the Premier to ensure a speedy finalization of the outstanding case

Table 10: Outcome of alleged corruption cases: Gauteng Province

Province	Outcome of investigations
Cases referred (1223) Feedback received (482) Cases closed (291)	<ul style="list-style-type: none"> An Official was served with a year jail sentence after being found guilty of corruption in a court of law for embezzlement of state funds. The Department of Finance has initiated a process to recover funds that

¹⁸ Information obtained from the provincial departments of the Eastern Cape Province.

were acquired through fraudulent activities.

- A School Principal was reported for issuing personal loans to educators using school funds and for not issuing them with receipts when repaying their loans. The investigation into the matter found that the allegations were true and the principal was charged with misconduct.
- No recovery of money was reported in the Province.

<i>Departments¹⁹</i>	<i>No of officials dismissed</i>	<i>No of officials suspended</i>	<i>No of officials fined</i>	<i>No of officials demoted</i>	<i>No of officials prosecuted</i>	<i>No of officials with warnings</i>
<i>Infrastructure Development</i>	3	-	-	-	-	5
<i>Finance</i>	1	1	-	-	-	27
<i>Local Government and Housing</i>	6	7	-	-	1	2
<i>Community Safety</i>	0	0	0	0	15	0
<i>Agriculture and Rural Development</i>	3	-	-	-	-	-
<i>Sports, Arts, Culture and Recreation</i>	-	-	-	-	2	-
<i>Health and Social Development</i>	1	1	-	-	-	2
<i>Office of the Premier</i>	-	-	-	-	-	-
<i>Roads and Transport</i>	-	-	-	-	-	-
<i>Education</i>						
Total	14	9	0	0	18	36

The Gauteng Province indicated that it has 29 officials in the Forensic Services Division of the Gauteng Department of Finance who are responsible for the investigation of fraud and corruption cases as shown below:

Investigative capacity of the Gauteng Province

Salary Level	Rank designations
1x Level 15	Deputy General Manager: Head of Forensic Services
3 x Level 13	Senior Manager
6 x Level 12	Deputy Directors
6 x Level 10	Senior Forensic Auditors
6 x Level 9	Forensic Auditors
5 x Level 6	Trainee Auditors
2 x Level 5	Trainee Auditors

Officials such as Senior Forensic Auditors, Forensic Auditors and Trainee Forensic Auditors have been enrolled for a Diploma in Forensic and Criminal Justice as part of initiatives to ensure effective capacity. Sixteen (16) staff members of the unit have attended a training by the Association of Certified Fraud Examiners on approaches and techniques to combat fraud and corruption.

Although, the Province through the Department of Finance has created capacity to investigate cases of alleged corruption, complaints were raised during the PSC NACH workshops by the officials from the GSSC that some departments are slow in providing feedback and that other cases are still under investigation. Out of the 1219 cases of alleged corruption referred to the Province, feedback was received on 482 cases by the PSC and 291 cases were closed on the CMS of the NACH.

¹⁹ Information obtained from the provincial departments of the Gauteng Province

3.3.1.4 Limpopo Province

Table 11 below shows the outcome of the alleged corruption cases referred to the provincial departments for investigation. The investigation into 303 cases referred to the Province resulted in 479 officials found guilty of corruption and fraud. Irrespective of these successes there is a need for serious intervention by the Office of the Premier to ensure a speedy finalization of the outstanding cases in the respective departments. There were only 72 cases closed with regard to the cases referred to the province.

Table 11: Outcome of alleged corruption cases: Limpopo Province

Province	Outcome of investigations					
Limpopo Province Cases referred (303) Feedback received (117) Cases closed (72)	<ul style="list-style-type: none"> • R500 000.00 was recovered from the perpetrators at the Department of Local Government and Housing. • Cases referred to SAPS are still under investigation. • R63 600.00 was recovered from officials of the Office of the Premier. • An official in the Office of the Premier was sentenced with a fine of R300 000.00 or 12 months imprisonment. • An official from the Department of Public Works was sentence to five years imprisonment in order to pay an amount that was defrauded. The Anti Fraud Unit (AFU) sold the official's house to recover the amount and to pay curator fees. • The Department of Education has recovered an amount of R215 430.43 from the perpetrators. • In the Department of Agriculture, an official was arrested for fifteen days and was out on bail pending the finalization of court proceeding. 					
<i>Departments²⁰</i>	<i>No of officials dismissed</i>	<i>No of officials suspended</i>	<i>No of officials fined</i>	<i>No of officials demoted</i>	<i>No of officials prosecuted</i>	<i>No of officials served with warnings</i>
<i>Local Government and Housing</i>	9	2	0	2	0	4
<i>Provincial Treasury</i>	0	0	0	1	3	0
<i>Office of the Premier</i>	0	3	1	1	1	7
<i>Public Works</i>	6	2	4	0	1	1
<i>Roads and Transport</i>	12	9	6	1	24	12
<i>Education</i>	7	8	104	5	0	209
<i>Sports, Arts and Culture</i>	5	5	0	2	0	6
<i>Economic Development, Environment and Tourism</i>	0	0	0	0	0	0
<i>Health and Social Development</i>	5	6	0	0	0	5
<i>Agriculture</i>	0	0	0	0	0	0
<i>Safety, Security and Liaison</i>	0	0	0	0	0	0
Total	44	35	115	12	29	244

²⁰ Information obtained from the provincial departments of the Limpopo Province

The PSC further established that the Limpopo Province has thirty three (33) investigators who are located at the respective departments as reflected below.

Investigative capacity of the Province

Department	Designation
Local Government and Housing	1 x Manager (Level 11) 2x Investigators (Level 9)
Provincial Treasury	2x Investigators at a Deputy Director (Level 11)
Office of the Premier	1 x Corporate Investigator (Level 11) 1x Integrity Support Service (Level 9)
Public Works	1x Manager Integrity Management (Level 11)
Roads and Transport	6 x Anti-Fraud and Corruption Investigators (Level 8)
Education	1x Deputy Manager (Level 9) 1x Corporate Inspector (Level 9) 2x Corporate Investigators (Level 9)
Sports, Arts and Culture	No information was provided
Economic Development, Environment and Tourism	1x Manager Investigation 9 (Level 11) 4x Deputy Manager Investigation (Level 9)
Health and Social Development	4x Investigators (Level 9)
Agriculture	1x Deputy Manager (Level 9)
Safety, Security and Liaison	1x Compliance Manager (Level 11) 1x Security Manager (Level 11)

The PSC noted that the Western Cape, Free State, Northern Cape, KwaZulu Natal and North-West submitted limited information with regard to investigative capacity and the number of officials found guilty of corruption. Based on the information contained on the CMS of the NACH, the PSC was in a position to assess the cases referred to provinces. **Table 12** below shows the outcome of investigations of cases of alleged corruption with respect to cases referred to the Western Cape, Free State, Northern Cape, KwaZulu Natal and North-West since the inception of the NACH on 01 September 2004 to 31 August 2010.

Table 12: Outcome of alleged corruption cases: Western Cape, Free State, Northern Cape, KwaZulu-Natal and North-West Provinces

Province	Outcome of investigations
Western Cape Province: Cases referred (258) Feedback received (153) Cases closed (30)	An amount of R62 million has been recovered in the cases where officials were found guilty of corruption ²¹ . In its assessment, the PSC found that the Forensic Audit Unit (FAU) in the Office of the Premier of the Western Cape Province reports cases of alleged corruption to the Director-General of the province. The PSC further established that the FAU has twenty-five (25) investigators on its staff establishment as indicated below.
Free State: Cases referred (203) Feedback received (50) Cases closed (27)	<ul style="list-style-type: none"> • A Station Commissioner was prosecuted for misuse of a state vehicle. The official was also demoted and transferred to another police station; • An investigator was charged with misconduct for investigating his own case of alleged fraud involving an amount of R1.5 million; and • Five officials were found guilty of corruption and disciplinary action is in progress.
Northern Cape: Cases referred (72) Feedback received (17) Cases closed (16)	<ul style="list-style-type: none"> • The Northern Cape Province indicated that a Chief Financial Officer from the Department of Local Government and Housing was dismissed from the Public Service on account of corrupt activities. • No other information was provided.

²¹ Republic of South Africa, Public Service Commission: Measuring of the Effectiveness of the National Anti-Corruption Hotline: Second Biennial Report: 2008.

KwaZulu-Natal: Cases referred (417) Feedback received (197) Cases closed (151)	<ul style="list-style-type: none"> No information was received from the KwaZulu Natal Province. However, 151 cases were closed on the CMS of the NACH following investigations. More than fifteen (15) cases were referred back to the province for disciplinary hearing.
North-West: Cases referred (316) Feedback received (148) Cases closed (82)	<ul style="list-style-type: none"> No information was received from the North-West Province. However, 82 cases were closed on the CMS of the NACH following investigations.

3.3.2 National Departments

Eleven National Departments responded to the PSC's request to provide information on the outcome of the investigation of cases of alleged corruption as well as the successes achieved through the investigations of cases reported through the NACH.

The allegations of corruption reported to the NACH with respect to the sampled ten national departments resulted in **673** officials being found guilty of corruption and fraud activities. Of these, **45** officials were given final written warnings, **478** officials were dismissed from the Public Service, **17** officials were fined, **3** officials were demoted and **130** officials were prosecuted for corrupt activities. A total of **141** officials were suspended.

Table 13: Outcome of alleged corruption cases: National Departments

<i>Departments</i>	<i>No of officials dismissed</i>	<i>No of officials suspended</i>	<i>No of officials fined</i>	<i>No of officials demoted</i>	<i>No of officials prosecuted</i>	<i>No of officials with warnings</i>
<i>Home Affairs</i>	392	117	0	0	118	1
<i>Arts and Culture</i>	19	6	6	1	0	0
<i>Trade and Industry</i>	10	13	8	0	2	0
<i>Correctional Services</i>	49	0	1	0	5	28
<i>International Relations and Co-operation</i>	0	0	0	0	0	0
<i>Water Affairs</i>	5	3	0	0	0	2
<i>Environmental Affairs</i>	0	0	0	0	0	1
<i>Agriculture, Forestry and Fisheries</i>	0	0	0	2	0	2
<i>Justice and Constitutional Development</i>	0	0	1	0	5	3
<i>Department of Police</i>	3	2	1	0	0	8
Total	478	141	17	3	130	45

3.3.3 Officials found guilty of corruption at both provincial and national departments

Table 14 below shows the total number of officials who were found guilty of corruption at National and Provincial Departments since the inception of the NACH in September 2004 to 31 August 2010. A total of **1273** officials were found guilty of corruption related activities. **600** officials were found guilty of corruption at provincial level whereas **673** were from National Departments. A total of **226** officials were suspended.

Table 14: Outcome of alleged corruption cases: National and Provincial Departments

<i>Departments</i>	<i>No of officials Dismissed</i>	<i>No of officials suspended</i>	<i>No of officials fined</i>	<i>No of officials demoted</i>	<i>No of officials prosecuted</i>	<i>No of officials with warnings</i>	<i>Total</i>
<i>Provinces</i>	125	85	117	13	60	285	685
<i>National Departments</i>	478	141	17	3	130	45	814
<i>Total</i>	603	226	134	16	190	330	1499

3.4 CHALLENGES AND WEAKNESSES WITH RESPECT TO THE MANAGEMENT OF THE NACH

The study identified some challenges and weaknesses with regard to the management of the NACH. The challenges and weaknesses identified in this report relate to the PSC's capacity to investigate cases, handling of case reports by Departments which include investigation of cases and the nature of feedback provided to the PSC.

3.4.1 Finalization of cases by Departments

In terms of the NACH protocols, cases of alleged corruption are closed on the CMS of the NACH when the matter has been investigated and disciplinary actions are concluded. Previous studies of the PSC into the investigation of the NACH cases have shown that Departments generally do not have adequate capacity to investigate cases of alleged corruption reported on the NACH and referred to them. According to the CMS, two thirds of cases of alleged corruption reported on the NACH are still outstanding. Key to the challenges experienced by departments is lack of investigation capacity and the fact that departments do not have appropriate structures or specialized units to deal with cases of alleged corruption as required by the Minimum Anti-Corruption Capabilities set by Cabinet. The PSC has also noted that there are cases which need only verification into departmental records, but departments do not give such feedback on the cases. Cases that need system verification are social grant fraud, identity document fraud and RDP housing fraud. Failure to investigate such cases may undermine the effectiveness of the NACH and the confidence of the members of public in the NACH.

3.4.2 Protection of whistleblowers and investigators

One of the key issues in the effective management of the NACH relates to the reporting of cases of alleged corruption. In this regard, it was reported by departments that whistleblowers are sometimes intimidated by senior officials and Executive Authorities when reporting corrupt activities or investigating cases of alleged corruption reported on the NACH. If such conduct really exists, then it would undermine efforts to prevent and combat corruption effectively. Perhaps lack of protection of the whistleblowers is the key reason why many callers prefer to remain anonymous when they report cases of alleged corruption.

The primary concern of the whistleblower relates to their protection and confidentiality of information they provide. A person identified by a disclosure of a whistleblower in terms of the Protected Disclosures Act of 2000 also deserves protection from malicious or bona fide

but erroneous disclosures²². Similarly, anti-corruption investigators may come across sensitive information in the course of their investigation pertaining to corrupt individuals or practices. The exposure of such information may subject them to occupational detriment.

²² South African Law Reform Commission: Report on Protected Disclosures, 2007

CHAPTER 4: RECOMMENDATIONS AND CONCLUSION

4.1 Introduction

The Chapter presents the recommendations and conclusion of the study. It is hoped that if these recommendations are implemented, the effectiveness of the NACH in combating corruption in the Public Service would improve.

4.2 Addressing the challenges regarding the management of the NACH

The PSC recommends that departments give urgent attention to the following issues:

- There must be regular performance audits by departments on the management of cases of alleged corruption referred to them. This means that the cases referred to departments and the feedback provided to the PSC must be scrutinized closely. Such scrutiny or audits will encourage departments to investigate cases of alleged corruption referred to them timeously. The outcome of such audits should be reported to the respective Executive Authorities and committees of the legislatures.
- Departments should establish a monitoring system to track and analyse trends of their own cases of alleged corruption. Such analysis will allow them to identify corruption cases reported to them and thereby establish responsive strategies to deal with such trends.
- The PSC has come to realize that investigators do not receive adequate resources from their respective departments to conduct full scale investigations on cases of alleged corruption. Furthermore, investigators often do not have the requisite knowledge and skills to deal with complex cases of alleged corruption. It is recommended that adequate resources be made available by departments in order to respond to such needs proactively.

4.3 Protection of whistleblowers and investigators

Whistleblowers are the main source of information pertaining to corrupt individuals or practices. Therefore, they should be protected from the ostracisation which occurs to them. Similarly, anti-corruption investigators may come across sensitive information in the course of their investigation pertaining to corrupt individuals or practices. The exposure of such practices may subject them to occupational detriment. The Protected Disclosures Act of 2000, stipulates that *“no employee may be subjected to any occupational detriment by his or her employer on account or partly on account, of having made a protected disclosure”*. The Act, however, does not provide for the protection of the identity of the whistleblower to be kept confidential, particularly in instances where the whistleblower is the only available witness and secondly the investigators and whistleblower’s safety pursuant to exposing fraud and corruption.

The PSC recommends that the Department of Justice and Constitutional Development should review the Protected Disclosures Act of 2000 to include strict protection of the whistleblowers as they are the main source of information on corrupt activities. There is also a case to be made for the protection of investigators as the PSC has been alerted to cases

where investigators receive threats. If the problem persists or is allowed to persist, departments will not be eager to investigate and this will compound the problem that already exists regarding capacity. The Protected Disclosures Act of 2000 should also ensure the protection of investigators who are in pursuit of exposing fraud and corruption in the course of their investigations.

4.4 CONCLUSION

Since its inception in 2004, the NACH has proved to be an important mechanism in the fight against corruption in the Public Service. This report has highlighted significant achievements made through the investigation of cases of alleged corruption that were reported to the NACH. Large sums of money to the tune of R110 million have been recovered and a number of officials were either suspended, demoted, fined and dismissed from the Public Service as a result of their involvement in the corrupt activities. Whilst these achievements are laudable various constraints continue to be experienced by departments in the management of cases referred to them through the NACH. Key to such constraints is lack of capacity to investigate the cases referred and provide necessary feedback to the PSC.

APPENDIX A: CRITICAL POINTS ON THE FUNCTIONALITY OF THE NACH

1 Introduction

The Management of the NACH requires infrastructure to ensure its effective day to day operation. This Chapter provides a brief overview of the operation of the NACH by the PSC and the infrastructure that has been created in respect thereof. Key elements in ensuring the success of the Hotline and the different components that play a role in the day to day operation of the Hotline are summarized. For a more detailed discussion of the functioning of the NACH, please refer to the first Report on Measuring the Effectiveness of the NACH, 2007²³.

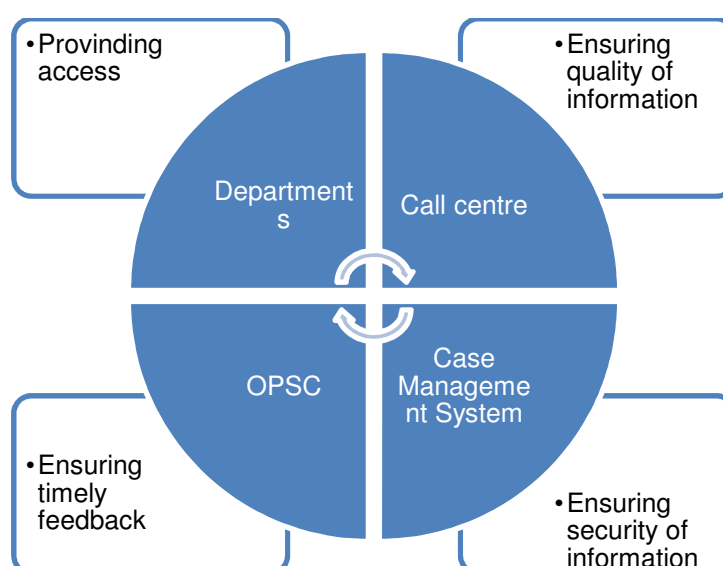
2 What is the NACH?

The NACH provides members of the public as well as public servants with an easy accessible mechanism to report allegations of corruption in the Public Service. The NACH is toll-free and operates 24 hours per day and seven days a week. While the public interfaces mainly with the call center, the NACH has a broader infrastructure which contains various components. These components are elaborated upon further in this Chapter.

3 Process for the functioning of the NACH

In order for the NACH to serve its purpose as an instrument in the fight against corruption, it is important that the Hotline complies with specific imperatives necessary for the successful operation of a Hotline as illustrated in **Figure 1**.

Figure 1: Imperatives in managing the Hotline



²³Measuring the Effectiveness of the National Anti-Corruption Hotline, Public Service Commission, 2007.

3.1 Providing access

The NACH provides the opportunity for the public and public servants to telephonically report concerns to a call operator at the Call Centre. Cases of alleged corruption can also be reported to the PSC regional offices through “walk in disclosures”, faxes and e-mails. These options are designed to obtain detailed information from the caller that reports a case of alleged corruption. Should the information prove insufficient, the call operator is allowed to make follow-up contact with the whistleblower if such contact details are provided. This process is explained to the whistleblower at the point of initial contact. All information received by fax or e-mail, are entered onto a template to ensure that it is captured on the database.

3.2 Ensuring quality of information

When an operator receives an allegation of corruption he/she completes a custom-designed template by raising relevant questions to the person who reports the case of alleged corruption. The template was designed by the PSC to ensure that the maximum amount and relevant information is obtained from the caller by the operator. This custom-designed template or case report is then quality assured by supervisors of the operator, investigators at the Call Centre and officials at the PSC to ensure the information obtained complies with the agreed protocols and that departments obtain adequate information to investigate cases referred to them. Although NACH reports are subjected to quality assurance, such efforts are reliant on how much information is given by the caller in order to populate the template. It is for this reason that departments sometimes receive reports that contain relatively scant information which makes investigations more difficult.

3.3 Ensuring security of information

Confidentiality and security of information are key imperatives in managing a hotline. In respect of the management of the NACH, the PSC therefore ensures that the security of the information received from the whistleblower or caller is not compromised. In this respect, it must be noted that as a first step the PSC through the Service Level Agreement (SLA) with the Service ensured that all call operators are security vetted. Moreover, the PSC conducts routine in-house investigations and evaluations of the networking systems associated with the NACH.

In addition to this, the Service Provider managing the Call Centre is contractually bound in terms of the SLA not to compromise the security of the information received from a whistleblower. In compliance with this requirement, the Call Centre maintains a data-base server which is housed in a secure server room. The data-base which contains details on all cases of alleged corruption reported to the NACH is backed up 3 times a day locally and once a day to tape. Power issues caused by load shedding or the environment are efficiently dealt with by state of the art UPS's and generators which ensure that the call centre is functioning 24 hours a day and seven days a week. Reports are transmitted via an encrypted e-mail facility to departments by the PSC in urgent cases which is detached from the PSC's CMS so as to protect the integrity of the CMS by not allowing any illegal access thereto.

Officials operating the CMS at the PSC are also security vetted. Departments are further obligated to ensure that officials who are investigating cases of alleged corruption from the NACH are security vetted.

3.4 Ensuring timely feedback

An essential requirement for the successful management of the NACH is that timely feedback must be provided to callers. When referring a case of alleged corruption to departments, the PSC requires departments to submit feedback on the status of investigations within 40 days from the date of referral. The PSC also follows up continuously with departments where such feedback is outstanding. Once feedback is received from departments, the PSC updates the CMS which then can be accessed by call operators to provide feedback to callers when they require about the status of cases. Despite the processes put in place by the PSC to facilitate feedback, it relies heavily on the cooperation of departments in providing such feedback.

4 Requirements for the operation of the NACH

The components that ensure the effective operation of the Hotline are integrated to ensure the fluent processing of alleged corruption reported. The main components are as follows:

4.1 The Call Centre

4.1.1 Staffing of the call center

The operation of the NACH Call Center has been outsourced to an external Service Provider in terms of a SLA. The Service Provider employs key senior personnel in order to ensure the smooth running of the Call Centre. These operators are specifically selected and trained to service the NACH on a full-time basis on behalf of the PSC. The Service Provider recently also appointed a Senior Operations Manager as well as a dedicated Report Analyst to assist with the operations at the Call Centre.

Services at the Call Centre operate on a multi-lingual basis and operators are appropriately trained to obtain the maximum relevant information. The interpreters are carefully screened and tested in telephone interpretation, customer service skills, confidentiality issues and customer-specialized terminology.

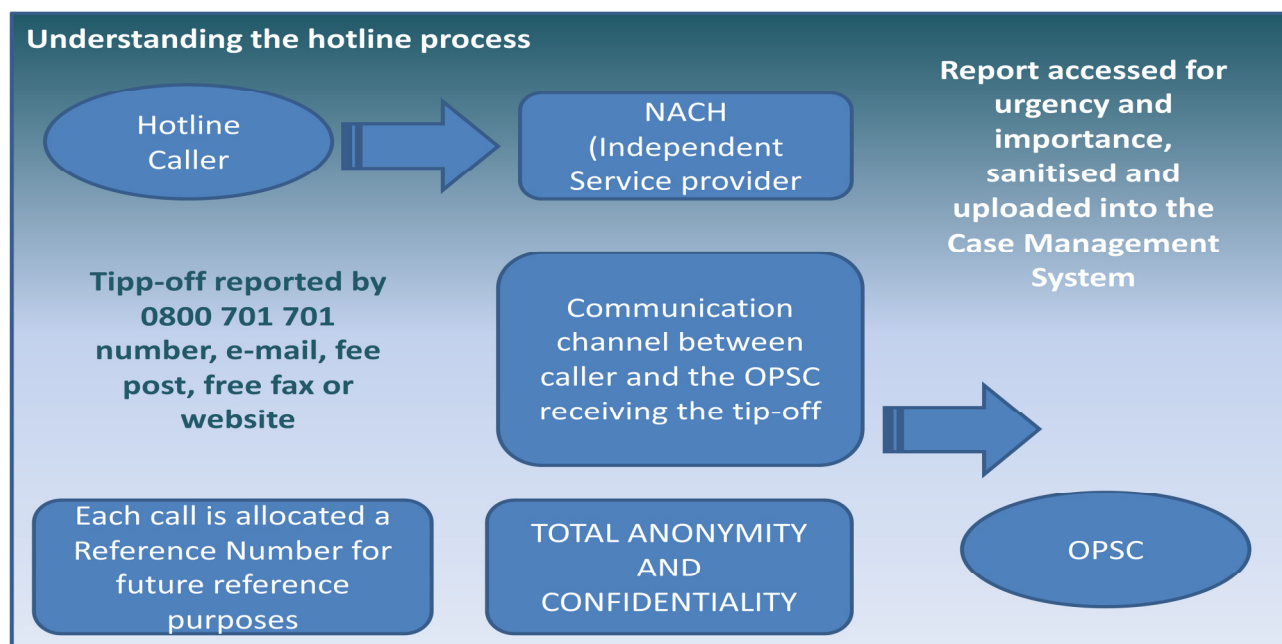
4.1.2 Meeting the electronic requirements of the call centre

Software specifically tailored to meet the exact requirements of the NACH has been developed. The system has exceptional reporting capabilities which provide a wide range of statistics relating to the number of calls received, type of calls and categories of crime. The software has a user friendly interface.

4.1.3 Process of receiving allegations of corruption

Figure 2 below outlines the call Centre process when a caller reports a case of alleged corruption at the call Centre:

Figure 2: Process at the call center



When a call is received, the caller's concerns are documented and allocated a call reference number for future reference purposes. The call operators, through the use of a template designed by the PSC, attempt to obtain adequate information to ensure that a specific allegation can be investigated (See **Appendix A**). The template includes questions which prompt callers to provide detailed information on the specific allegation that they are making. Reports are generated and transmitted in English.

Seventy five percent (85%) of the callers who report cases of alleged corruption through the Hotline request anonymity whilst 15% are whistleblowers who provide contact details. The call centre for the NACH used a variety of mechanisms to ensure anonymity including:

- no caller id;
- no taping of phone calls;
- keeping information secured;
- Conducting face to face interviews;
- Sending evidence through the post; and
- Referring the case to other law enforcement agencies

After all information has been obtained from the caller and processed, a call report is generated, edited and corrected. The Report Analyst classifies the information which the Contact Centre Manager performs a quality assurance review.

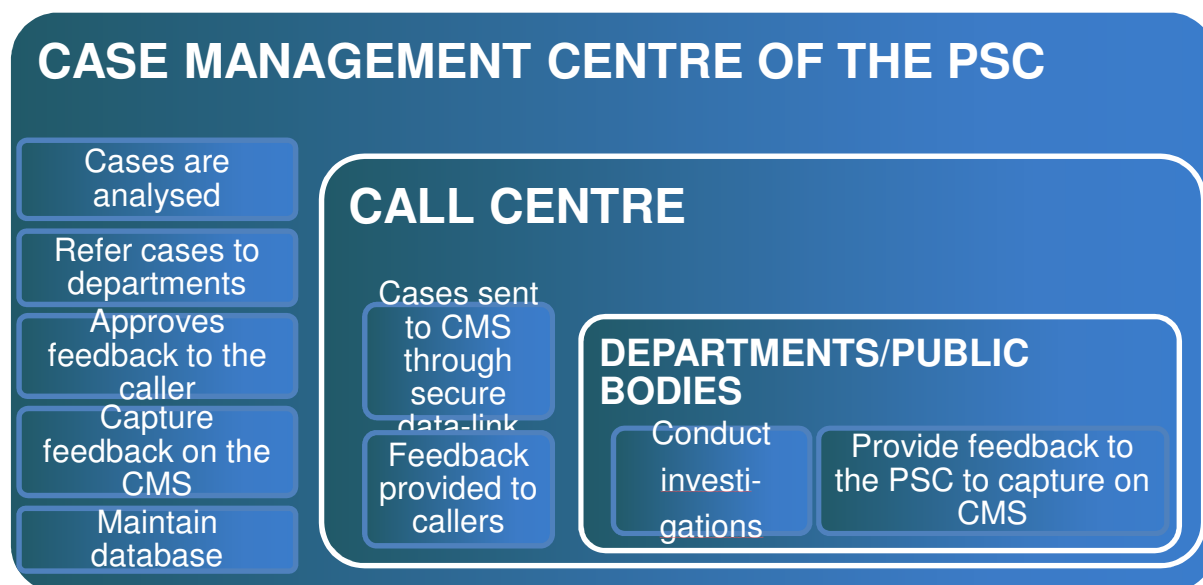
4.1.4 Transmitting reports to the PSC's CMS

Once the report is quality assured, it is electronically uploaded onto the Case Management System of the PSC. Urgent calls (regarded as an immediate threat to person, property or environment) are brought to the attention of the PSC within an hour. Essential details are relayed immediately by phone, and a written report is forwarded after being put through an expedited quality assurance editing process.

5. Process at the Case Management Centre (CMC)

The Case Management System of the PSC comprises the process through which the PSC receives cases from the call center, evaluates the contents of such cases, decides on the referral of cases and captures feedback. The process applied by the PSC through the CMS is illustrated in **Figure 3** below.

Figure 3: Case Management System²⁴



5.1 Receiving cases of alleged corruption from the Call Centre of the NACH

The PSC through its CMS receives cases of alleged corruption from the Call Centre through a secure data-link. The case management staff at the PSC is able to access case management software on a server which resides at the contact centre, which is connected to the Pretoria Case Management office via an encrypted Telkom Diginet line and as such there are no external links.

5.2 Analyses of NACH reports

Once the PSC has received a report on the CMS the contents of the report is analyzed to determine whether there is sufficient information contained in the report in order for it to be successfully investigated and to establish which department or institution in the Public Service is most appropriately located to investigate the relevant allegation. The official that receives the report also determines the sensitivity and urgency attached to the report. Reports generated by the CMS are submitted by the Office of the PSC to the PSC with a recommendation on where the case should be referred to or whether the case should be closed due to insufficient information. Cases are classified as restricted, confidential, secret or top secret.

²⁴ Republic of South Africa: Measuring of the Effectiveness of the National Anti-Corruption Hotline: Second Biennial Report: Public Service Commission, 2008

5.3 Referral of cases by the PSC

After considering the advice of the Office, the PSC then refers the alleged corruption to Departments for investigation with a covering letter addressed to the respective Directors-General. This is done in line with the agreed protocols developed to protect departments and user interest. Certain departments have made arrangements to physically collect their cases at the OPSC. The timeframe for referral of cases to the CMS is after 24 hours whilst the referral of cases to departments is approximately six days or more depending on additional information from the callers. Urgent/sensitive cases are fast-tracked to departments through a secure e-mails and fax facility.

5.4 Providing feedback to the PSC

In the referral report to departments, feedback on progress is requested within forty days in order to enable the CMS to provide such feedback to the Call Centre through a secure data-link. It is not expected of departments to finalize investigations in the forty days but report on progress. When providing feedback, departments are requested to quote case reference numbers and to provide full investigation reports. The PSC is heavily reliant on the cooperation of departments for the provision of feedback to callers.

5.5 Analysis of feedback by the PSC

Once feedback is received the PSC analyses the feedback to determine whether sufficient detail has been provided and whether a case has been fully investigated. If a case has not been sufficiently investigated by a department, the PSC refers such a case back and indicates what additional information is required. Only once the PSC is satisfied that all aspects of an allegation have been sufficiently investigated by a department will it close such a case on the CMS.

5.6 Providing feedback to callers

Once the PSC is satisfied with the nature of feedback provided, the relevant information is uploaded onto the CMS. The Call Centre has access to the CMS and when caller enquire about a specific allegation that they have made and provide the call reference number, call operators are able to provide feedback to the caller. The system makes provision for operator to give the following information:

- Cases referred to the relevant departments/ agency for investigation
- Investigation in progress
- Investigation complete – referred for prosecution
- Investigation complete – no prosecution possible due to insufficient evidence
- Action taken against perpetrator (e.g. Disciplinary action being taken against those involved)
- Other milestones indicating levels of progress

APPENDIX B: CATEGORIES OF CASES OF ALLEGED CORRUPTION REPORTED TO THE NACH

Corruption as defined by the Prevention and Combating of Corrupt Activities Act, 2004²⁵ focuses on the accepting, or agreeing to accept, offers of any gratification from any other person, whether for the benefit of himself or herself or for the benefit of another person.²⁶ This narrow definition of corruption appears to limit corruption to the giving and receiving of bribes. This is not a view shared by the general public as unethical behaviour by public officials, which includes preferential treatment of certain members of the public over others, resulting in poor service delivery are frequently reported to whistle-blowing hotlines.²⁷

APPENDIX B: Categories of corruption reported to NACH

<i>Nature of cases</i>	Total
<i>Abuse of government resources</i>	
<i>Procurement irregularities</i>	
<i>Alleged RDP corruption</i>	
<i>Appointment irregularities</i>	
<i>Social grant fraud</i>	
<i>Identity document fraud</i>	
<i>Unethical behaviour</i>	
<i>Criminal conduct</i>	
<i>Mismanagement of Government funds</i>	
<i>Fraud and Bribery</i>	
<i>Poor service delivery</i>	
Total	

²⁵ Republic of South Africa, Prevention and Combating of Corrupt Activities Act, 2004

²⁶ Republic of South Africa, Prevention and Combating of Corruption Activities Act, 2004

²⁷ Republic of South Africa, Measuring the Effectiveness of the NACH: Public Service Commission, 1996.