



the dr&pw

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Department:  
Roads and Public Works  
NORTHERN CAPE PROVINCE  
REPUBLIC OF SOUTH AFRICA

## **THE PLAN:**

### **DEPARTMENTAL COMPILATION OF POLICIES**

**ON**

### **FRAUD, CORRUPTION AND ETHICS MANAGEMENT**

Version 3  
(October 2020)

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## **THE PLAN: DR&PW ANTI-FRAUD AND CORRUPTION IMPLEMENTATION PLAN**

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## **1. INTRODUCTION**

- 1.1 In compliance with the Public Finance Management Act (PFMA), 1999 (Act No. 1 of 1999) as amended, and the Treasury Regulations, the Department of Roads and Public Works (DR&PW) has developed an Anti-Fraud and Corruption Implementation Plan.
- 1.2 The primary objectives of the Anti-Fraud and Corruption Implementation Plan are the following:
  - a) To encourage a culture within the DR&PW where all employees continuously behave ethically in their dealings with members of the public and other stakeholders.
  - b) To encourage all employees and other stakeholders to strive towards the prevention and detection of fraud and corruption impacting, or having the potential to impact on the DR&PW.
- 1.3 This document forms part of The Plan Policy Document (Compilation of Policies), which contains the DR&PW's Anti-Fraud and Corruption Implementation Plan, the DR&PW Anti-Fraud and Corruption Charter, the departmental Code of Ethics and Conduct, the DR&PW Anti-Fraud and Corruption Policy and Response Plan, the DR&PW Policy on Whistle Blowing / Protected Disclosures, the departmental Whistle Blowing / Protected Disclosures Guidelines, the departmental Anti-Fraud, Anti-Corruption and Ethics Strategy and the Terms of Reference of the DR&PW Fraud Prevention, Ethics and Risk management Committee (FPERC).
- 1.4 The Plan takes into account the risks of fraud and/or corruption as identified in risk assessments conducted by the DR&PWs management. The Plan addresses strategic fraud and corruption risks that must be addressed and which could jeopardise the successful implementation of each component of The Plan. (Components of The Plan refer to paragraph 1.3 above.)
- 1.5 The strategy to achieve the objectives of The Plan is the creation of fraud and corruption awareness amongst all employees and other stakeholders of the DR&PW. The approach for implementing this awareness strategy is education and communication. In this regard also refer to the DR&PW Anti-Fraud, Anti-Corruption and Ethics Strategy, which, in addition to the above, also elaborates on fraud and corruption risk management (prevention), and fraud and corruption detection, investigation and resolution.
- 1.6 The Plan will revolve around the following:
  - a) Awareness of statutory obligations.
  - b) Identifying problem areas.
  - c) Closing of loopholes.
  - d) Pro-active implementation of this Plan by employees fulfilling fiduciary functions.

## 2. LEGISLATIVE AND REGULATORY FRAMEWORK

Besides the legislative and regulatory frameworks referred to in the various annexures of this document, the following basic legislative and regulatory framework applies:

<p><b>The Public Finance Management Act (PFMA), 1999 (Act No. 1 of 1999) as amended.</b></p>	<p>Section 38(1) (a) (i) of the PFMA requires that the Accounting Officers must ensure that the DR&amp;PW has and maintains effective, efficient and transparent systems of financial and risk management and internal control.</p> <p>Section 38(1) (c) (ii) of the PFMA states that accounting officers <i>"...must take effective and appropriate steps..."</i> to prevent unauthorised, irregular and fruitless and wasteful expenditure and losses resulting from criminal misconduct.</p> <p>Section 38(1)(g) and (h) (iii) of the PFMA states that accounting officers <i>"...must immediately report, in writing..."</i> particulars of expenditure (as described above) to National Treasury and to bid authorities where the procurement of goods and services is involved and must take appropriate and effective disciplinary steps against officials who <i>"...makes or permits..."</i> such expenditures.</p> <p>Section 40(3)(b) of the PFMA states that the Annual Report and audited financial statements of the DR&amp;PW's trading entities and constitutional entities must include the particulars of any material losses through criminal conduct, and any unauthorised, irregular, fruitless and wasteful expenditure during the relevant year.</p>
<p><b>Treasury Regulations, 2001, Section 3.2.1</b></p>	<p>According to Treasury Regulations, the Accounting Officer (AO) of the DR&amp;PW must ensure that a risk assessment is conducted regularly to identify emerging risks. A risk management strategy must include a Fraud and Corruption Prevention Plan, which must be used to direct internal audit efforts and prioritisation, and to determine the skills required of managers and staff to control and to manage these risks. The departmental Fraud and Corruption Prevention Plan and the departmental Anti-Fraud, Anti-Corruption and Ethics Strategy must be clearly communicated to all employees.</p>

<b>Public Service Anti-corruption Strategy (introduced in 2002)</b>	The Public Service Anti-corruption Strategy, 2002 determines that the DR&PW should create minimum <i>capacity</i> to combat fraud and corruption.
<b>Protected Disclosures Act, 2000 (Act No. 26 of 2000)</b>	Section 2(1)(a) and (b) states that the objectives of the Protected Disclosures Act, 2000 are, <i>inter alia</i> to protect employees from being subjected to an "...occupational detriment..." on account of having made a protected disclosure and to provide "...certain remedies in connection with any occupational detriment suffered on account of having made such protected disclosure...".
<b>Prevention and Combating of Corrupt Activities Act, 2004 (Act No. 2 of 2004)</b>	The Prevention and Combating of Corrupt Activities Act outlines offences in respect of corrupt activities relating to public officers.
<b>Promotion of Access to Information Act, 2000 (Act No. 2 of 2000)</b>	<p>In terms of the Promotion of Access to Information Act, 2000 the DR&amp;PW must delegate responsibility to deal with requests for information, to a designated Information Officer.</p> <p>A person who, with intent, denies a right of access to information, and destroys, damages, alters, conceals or falsifies records, commits an offence and is liable on conviction, to a fine or imprisonment.</p> <p>This Act further makes provision for procedures in terms of which employees in both the private and the public sector may disclose information regarding unlawful or irregular conduct, by their employers or peers. It also provides for the protection of employees who make a disclosure.</p> <p>In accordance with the Protected Disclosures Act, 2000 staff members of the DR&amp;PW disclosing any acts of maladministration, fraud, or corruption are protected from any occupational detriment. Disclosures can be made to the employee of the DR&amp;PW who is delegated by the AO (HOD) to handle complaints, the Minister of Labour, the Public Protector or the Auditor General.</p>

### **3. APPROACH TO THE DEVELOPMENT OF THE PLAN**

- 3.1 Besides this orientative policy, this Policy Compilation consists of five (5) additional policies (annexures), one (1) strategy (annexure f), and the Terms of Reference (ToR) of the Fraud Prevention, Ethics and Risk management Committee (FPERC) (annexure g).
- 3.2 The above mentioned documents are mutually complimentary and form the pillars of the measures expounded upon herein.
- 3.3 Besides the ToR mentioned in 3.1 above, the additional Policy Documents are as follows:
- a) the DR&PW Anti-Fraud and Corruption Charter (Annexure A);
  - b) the DR&PW Code of Ethics and Conduct (Annexure B);
  - c) the DR&PW Anti-Fraud and Corruption Policy and Response Plan (Annexure C);
  - d) the DR&PW Policy on Whistle Blowing / Protected Disclosures (Annexure D);
  - e) the DR&PW Whistle Blowing / Protected Disclosures Guidelines (Annexure E); and
  - f) the DR&PW Anti-Fraud, Anti-Corruption and Ethics Strategy (Annexure F).
- 3.2 The fraud and corruption risks identified in The Plan cannot be relied upon as an indication of the full spectrum of fraud and corruption risks facing the DR&PW, but rather as an indication of the types of risks that exist.
- 3.3 The scope of work was limited to the approach detailed in paragraphs 3.1 and 3.2 above.
- 3.4 The Plan does not guarantee that the DR&PW will not be impacted by incidents of fraud and corruption, but is intended to serve as an additional measure to assist in the limitation of fraud and corruption risks, with particular focus on creating awareness and promoting ethical business conduct by employees of the DR&PW.

### **4. COMPONENTS OF THE PLAN**

- 4.1 **The main principles of The Plan are as follows:**
- a) Creating a DR&PW culture which is intolerant to fraud and corruption.
  - b) Deterrence of fraud and corruption in the DR&PW.
  - c) Detection of DR&PW fraud and corruption.
  - d) Investigating detected DR&PW fraud and corruption.
  - e) Taking appropriate action against fraudsters and corrupt individuals, e.g. prosecution, and disciplinary action.
  - f) Applying sanctions, which include redress in respect of financial losses.

**4.2 The objectives of the The Plan can be summarised as follows:**

- a) Encourage a culture within the DR&PW where all employees behave ethically in their interactions with service providers and stakeholders, or on behalf of the DR&PW in general.
- b) Improve accountability, efficiency and effective administration within the DR&PW.
- c) Improve the application of systems, policies, procedures and regulations.
- d) Change aspects of the DR&PW which could facilitate fraud and corruption and allow these not to go unnoticed or unreported.
- e) Encourage all employees and other stakeholders to strive towards the prevention and detection of fraud and corruption impacting or having the potential to impact on the DR&PW.

**4.3 The Strategic Approach to Fraud and Corruption Prevention in terms of this policy is as follows:**

- a) Given the requirement for every organisation to protect assets and the requirement for any management team to ensure that internal controls are operating effectively, it is imperative that the DR&PW takes the necessary steps to identify and manage exposure to commercial crime. A committed and proactive strategic approach is required.
- b) The essential focus of such a strategy is the formalisation and implementation within the DR&PW of ZERO TOLERANCE for fraud and corruption, a high level of fraud and corruption awareness, and a management and control environment that makes it as difficult and reasonably impossible to misappropriate funds/assets and to succumb to corruption.

**4.4 There are essentially four (4) pillars to a good fraud and corruption prevention strategy, which are explained in the table below as follows:**

OBJECTIVES	PILLARS	APPROACH TO IMPLEMENTATION
Formalising the Implementation of our Fraud and Corruption Prevention Strategy.	<ul style="list-style-type: none"> <li>1) Good Corporate Governance.</li> <li>2) Fraud and Corruption Prevention Responsibility, Sponsorship and Control function.</li> <li>3) Anti-Fraud and Corruption Policy and Anti-Fraud and Corruption Charter.</li> <li>4) Ongoing Fraud and Corruption Awareness Campaign.</li> </ul>	<ul style="list-style-type: none"> <li>1) Creation of awareness amongst employees and stakeholders through communication and education of the departmental Code, the Anti-Fraud and Corruption Prevention Policy (Implementation Plan) and the Anti-Fraud, Anti-Corruption and Ethics Strategy.</li> </ul>



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OBJECTIVES	PILLARS	APPROACH TO IMPLEMENTATION
		<ul style="list-style-type: none"> <li>2) A Code in which management believes, and requires their employees to subscribe to.</li> <li>3) The Fraud Prevention, Ethics and Risk management Committee (FPERC) have to steer and take responsibility for The Plan (See ToR of the FPERC – Annexure G).</li> </ul>
<b>Understanding and Managing the Risk of Fraud and Corruption.</b>	<ul style="list-style-type: none"> <li>1) Fraud and Corruption Risk Identification as part of organisation-wide risk assessment.</li> </ul>	<ul style="list-style-type: none"> <li>1) Assurance by Internal Audit through conducting ongoing operational risk assessment.</li> <li>2) Ongoing Operational Risk Assessment and management which includes systems for fraud and corruption detection.</li> </ul>
<b>Being Pro-active in Defence of Fraud and Corruption Prevention.</b>	<ul style="list-style-type: none"> <li>1) Sound accounting and internal controls, systems and other procedures.</li> <li>2) Fraud and corruption awareness training for all employees.</li> <li>3) Supplier and employee vetting procedures.</li> </ul>	<ul style="list-style-type: none"> <li>1) Application of the DR&amp;PW's policies, procedures and other relevant government prescripts.</li> <li>2) Sound internal controls to prevent and detect fraud and corruption.</li> <li>3) Physical and information security.</li> <li>4) Ongoing maintenance and review of The Plan.</li> </ul>
<b>Reacting Swiftly to suspected or known Crimes/Irregularities.</b>	<ul style="list-style-type: none"> <li>1) Forensic investigation of suspected fraud and corruption.</li> <li>2) Fraud and Corruption Response Plan.</li> </ul>	<ul style="list-style-type: none"> <li>1) Reporting and monitoring of allegations of fraud and corruption.</li> <li>2) An Anti-Fraud and Corruption</li> </ul>

		<p>Policy and Response Plan and an Anti-Fraud, Anti-Corruption and Ethics Strategy setting out the DR&amp;PW's policy stance on fraud and corruption as well as steps to be followed when allegations are raised.</p> <p>3) The application of the Disciplinary Code and Procedures.</p>
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## **5. PREVENTING FRAUD AND CORRUPTION**

### **5.1 Code of Ethics and Conduct for the DR&PW**

- 5.1.1 The DR&PW has a Code of Ethics and Conduct that sets down clear guidelines relating to the DRP&W's expectations of its employees and other stakeholders with regard to ethical behaviour and integrity (Annexure B).
- 5.1.2 The DR&PW will conduct Ethics Awareness Workshops for employees and other stakeholders in order to clarify its expectations relating to ethics and acting with integrity.
- 5.1.3 The DR&PW will ensure that all employees subscribe to and understand The Code.

### **5.2 Communication of the Principles of The Code**

- 5.2.1 Processes and mechanisms to manage professional ethics are instrumental to the fight against fraud and corruption. The DR&PW will pursue the following additional steps to communicate the principles contained in The Code.
  - a) A copy of The Code will be circulated to all employees and included in Induction Packs for new employees.
  - b) Relevant aspects of The Code will be included in awareness presentations, training sessions and communication programmes to create awareness thereof amongst employees and other stakeholders, i.e. helping employees to understand the meaning of unethical behaviour (including harassment in any form) in line with expectations of the DR&PW.
  - c) Helping employees to understand issues involved in making ethical judgements.
  - d) Communicating the implications of unethical behaviour and its impact on individuals, the workplace, and professional relationships, the DR&PW as whole and external stakeholders, including the public.

5.2.2 A Gift Register and Policy is in place to ensure that both the acceptance and offering of business courtesies, including gifts, by all employees of the DR&PW are adequately addressed.

### **5.3 DR&PW Policies, Procedures and other Relevant Government Prescripts**

The Department of Roads and Public Works (DR&PW) has policies, procedures, rules, regulations and other prescripts to ensure compliance with government legislation, as well as to meet the provisions of good governance. All employees and other stakeholders (where appropriate) of the DR&PW are expected to adhere to these. One of the primary purposes of the Public Finance Management Act (PFMA), 1999 (Act 1 of 1999) as amended, and the policies and procedures of the DR&PW is to limit risks.

#### **5.3.1 Strategic Fraud Risk Areas for the DR&PW**

The DR&PW has identified the following strategic risk areas:

- a) Weaknesses in the system for adequately implementing policies and procedures.
- b) Deliberate by-passing of financial policies and procedures.
- c) Timely security verification of potential candidates for sensitive positions in the DR&PW.

#### **5.3.2 Addressing Risks of Fraud at the DR&PW**

The DR&PW will take the following steps to address risks of fraud:

- a) Develop sound communication and education strategies. This will ensure that all employees are sensitized, and adequately trained in the implementation of these policies and procedures.
- b) With regard to the procurement process the DR&PW will ensure the following:
  - (i) Ongoing risk assessment.
  - (ii) The monitoring of the entire bid process through supply chain management (SCM) committees.
  - (iii) Management oversight.
- c) Verify whether applicants for all positions within the DR&PW have a criminal record before they are employed.
- d) Conduct reference checks before applicants are appointed to any position within the DR&PW. These reference checks will be focused on securing clarity on specific issues, which could exclude the candidate from securing the position.
- e) Nominated candidates for vacant posts will be subjected to qualification verification after scheduled interviews.

- f) Conduct security clearance of employees in sensitive positions through the State Security Agency (SSA).
- g) In order to further limit the risk of fraud, the DR&PW will continue to develop and maintain a sound human resources system, policies and procedures which incorporate the following basic fraud and corruption prevention principles:
  - (i) Sound, mutually beneficial labour relations.
  - (ii) Grievance procedures that encourage aggrieved employees to address their grievances. This is based on the recognition that aggrieved employees may become malicious, thus increasing the risk of them committing unethical, corrupt acts.
  - (iii) Delegation of authority and responsibility.
  - (iv) Commitment to competence.
  - (v) Inadequate asset management.

#### **5.4 DR&PW Disciplinary Code and Procedure**

- 5.4.1 The DR&PW will, on a regular basis, re-emphasise to managers the need for speedy application of disciplinary measures, and the negative implications of this not being done, particularly with reference to the overall drive to limit the risk of fraud and corruption.
- 5.4.2 As prescribed, the performance agreements of the DR&PW managers/supervisors will provide for the core management criteria of "People Management", which holds managers/supervisors accountable for addressing misconduct and fraud and corruption within their sections.
- 5.4.3 The Disciplinary Code and Procedures for the Public Service as contained in the relevant collective agreements of the Public Service Co-ordinating Bargaining Council (PSCBC) and in the Senior Management Service (SMS) Handbook, prescribes appropriate steps to be taken to deal with disciplinary matters. The Human Resource Management (HRM) and the Human Resource Development (HRD) units support the DR&PW in instituting and completing disciplinary action for cases of fraud and corruption.
- 5.4.4 The DR&PW recognize the fact that the consistent and efficient application of disciplinary measures is an integral component of effective fraud and corruption prevention. The following steps to expedite the consistent, efficient and speedy application of disciplinary measures will be initiated:
  - a) Creating awareness amongst employees of acceptable conduct in terms of the Disciplinary Code and Procedures for the Public Service. Where disciplinary standards are not adhered to, action will be taken against offenders.
  - b) Ensure the managers are equipped in the application of the disciplinary process.
  - c) Developing a system to facilitate the consistent application of disciplinary measures.

- d) Regular monitoring and review of application of discipline with the objective of improving weaknesses identified.

## 5.5 Internal Control

- 5.5.1 The DR&PW has developed and implemented basic internal control measures in most of its operational areas.
- 5.5.2 The DR&PW is committed to maintaining internal control measures, which are practical and effective.
- 5.5.3 The above mentioned internal control measures comprise of two main components, namely:
  - a) Basic internal controls (discussed below).
  - b) Training of employees in internal control and how to conduct their day-to-day activities.
- 5.5.4 The policies, procedures and other prescripts of the DR&PW prescribe and implement various internal controls. These should limit fraud within the DR&PW.
- 5.5.5 These internal controls may be categorized as follows, recognising that the categories contain overlapping elements.

<b>PREVENTION CONTROLS</b>	<b><u>Authorisation</u></b>
	<ul style="list-style-type: none"> <li>1) All transactions require authorisation or approval by an authorised and responsible person.</li> <li>2) The limits for these authorisations are specified in the delegations of authority of the DR&amp;PW.</li> </ul>
	<b><u>Physical</u></b>
	<ul style="list-style-type: none"> <li>1) These controls mainly relate to the custody of assets and involve procedures and security measures designed to ensure that access to assets is limited to authorised personnel.</li> <li>2) This becomes prominent in the case of the protection of valuable, portable, exchangeable and desirable assets.</li> </ul>
	<b><u>Arithmetic and Accounting</u></b>
	<ul style="list-style-type: none"> <li>1) These basic controls ensure that authorised transactions are correctly recorded and accurately processed.</li> <li>2) Such controls include checking the arithmetical accuracy of the records, reconciliations, control accounts, and accounting for documents.</li> </ul>

<b>DETECTION CONTROLS</b>	<p><b><u>Physical</u></b></p> <ol style="list-style-type: none"> <li>1) These controls relate to the security of records. They underpin arithmetic and accounting controls.</li> <li>2) Their similarity to prevention controls lies in the fact that these controls are also designed to limit access.</li> <li>3) Bar coding and tracking of assets.</li> </ol>
	<p><b><u>Supervision</u></b></p> <ol style="list-style-type: none"> <li>1) This control relates to supervision by responsible officials of day-to-day transactions and the recording thereof.</li> </ol>
	<p><b><u>Management Information</u></b></p> <ol style="list-style-type: none"> <li>1) This relates to the review of management accounts and budgetary control.</li> <li>2) These controls are normally exercised by management outside of the day-to-day routine of the system.</li> </ol>
	<p><b><u>Segregation of Duties</u></b></p> <ol style="list-style-type: none"> <li>1) One of the primary means of control is the separation of those responsibilities or duties which would, if combined, enable one individual to record and process a complete transaction, thereby providing her/him with the opportunity to manipulate the transaction irregularly and commit fraud and/or corruption.</li> <li>2) Placed in context with fraud and corruption prevention, segregation of duties lies in separating either the authorisation or the custodial function from the checking function.</li> <li>3) Segregation of duties reduces the risk of intentional manipulation or error and increases the element of checking.</li> <li>4) Functions that should be separated include those of authorisation, execution, custody, and recording and in the case of computer-based accounting systems, systems development and daily operations.</li> </ol>

### 5.6 Deficiencies and Non-compliance as Identified by Internal Audit

To ensure that the above mentioned internal controls are effectively and consistently applied, deficiencies and non-compliance identified by Internal Audit will be addressed as follows:

<b>COMPLIANCE WITH INTERNAL CONTROL</b>	<p>The DR&amp;PW will continue to regularly re-emphasise to all managers and supervisors that consistent compliance by employees with internal control is one of the fundamental tools in place to prevent fraud and/or corruption.</p> <p>Managers will be encouraged to recognise that internal control shortcomings identified during the course of audits are, in many instances, purely symptoms and that they should strive to identify and address the causes of these internal control weaknesses rather than only symptoms, in addition to addressing the control weaknesses.</p>
<b>LACK OF SPECIFIC FINANCIAL CONTROL</b>	Where managers are found to lack specific financial control and management skills, appropriate training will be provided as a matter of urgency.
<b>FINANCIAL MANAGEMENT</b>	Financial Management is a compulsory Core Management Criteria in the Performance Agreements of all members of the Senior Management Service (SMS).
<b>AUDIT QUERIES</b>	The number of audit queries and the level of seriousness of the consequent risk to the organisation as a result of the internal control deficiency identified will be taken into account during the annual performance evaluations. This intends to raise the level of manager and supervisor accountability for internal control.
<b>INTERNAL CONTROL WEAKNESSES</b>	A matrix of internal control weaknesses identified during audits will be developed and reviewed for repeat audit queries. This will assist in identifying managers who require training or who are simply negligent and have an apathetic attitude towards internal control and areas that require additional focus. The matrix is submitted for discussion at DR&PW Senior Management Committee (MANCO) meetings.

**NON-COMPLIANCE  
WITH DELEGATIONS**

Where managers do not comply with delegation of authority limits, for example, in signing of contracts, disciplinary action will be taken in terms of the Disciplinary Code and Procedure.

## 5.7 Physical and Information Security

### 5.7.1 Physical Security

- a) Recognising that effective physical security is one of the "front line" defences against fraud and corruption, the DR&PW will monitor and where necessary, improve physical security at all its offices.
- b) When employees leave the employment of the DR&PW, it will be ensured that managers supply a clearance certificate. This certificate will include confirmation by managers that:
  - (i) All access equipment or materials belonging to the DR&PW have been returned.
  - (ii) Appropriate steps have been taken to prevent access to assets or records, including the deactivation of network user and system under ID's ( e.g BAS, LOGIS and PERSAL).
- c) Random physical searches will be conducted of the bags and vehicles of suspended or dismissed employees for the DR&PW's assets, to the extent permissible.

### 5.7.2 Information Security

- a) The DR&PW Information Security Policy includes mechanisms to limit the risk of information leaks.
- b) Access restrictions will be implemented and administered to ensure that only authorised individuals have access to, or are able to use, information resources of the DR&PW.

## 6. DETECTING AND INVESTIGATING FRAUD AND CORRUPTION

### 6.1 Internal Audit

- 6.1.1 The Internal Audit Committee (IAC) has been outsourced / shared.
- 6.1.2 The IAC's functions are intended to:
  - a) Ensure the safeguarding and control of the assets of the DR&PW.
  - b) Promote compliance with relevant statutory legislation and prescripts.



- c) Promote the economical and efficient management of resources and the effective performance of the functions of the DR&PW.
- 6.1.3 The DR&PW will communicate the role of the Internal Audit Section to all supervisors and managers in order to enhance their understanding thereof.

## 6.2 Ongoing Operational Risk Assessment

- 6.2.1 The DR&PW acknowledge the fact that it faces diverse business risks, including fraud and corruption risks from both internal and external sources.
- 6.2.2 The DR&PW further recognizes that sound fraud and corruption prevention requires that fraud risk assessment be conducted of processes, activities and/or areas which management views as being susceptible to serious fraud and corruption.
- 6.2.3 Hence, the DR&PW acknowledges that the processes, which are currently high risk areas because of their susceptibility to collusion between the DR&PW's employees and external parties, include amongst others, the following:
  - a) bidding and procurement;
  - b) contracts management and management of deliverables on contracts;
  - c) appointment of consultants and selection criteria;
  - d) appointment of temporary and casual labourers;
  - e) "inventory" and asset management;
  - f) control expenditure, e.g. telephone accounts and travel and subsistence;
  - g) conflict of interest;
  - h) compliance with delegation of authority;
  - i) budget control;
  - j) creditors payments;
  - k) payroll; and
  - l) travel and subsistence (S&T).
- 6.2.4 The DR&PW will conduct ongoing risk assessment with a particular emphasis on the above areas. Specific risk assessments and random fraud and corruption detection reviews will also be conducted, where deemed necessary.
- 6.2.5 The DR&PW will comply with Treasury Regulations, which require that it conducts risk assessments to ensure that all significant risks facing the DR&PW are understood and addressed.

### **6.3 Allegations of Incidents of Fraud and/or Corruption**

#### **6.3.1 Reporting and Monitoring of Allegations of Fraud and/or Corruption**

- a) Every employee of the DR&PW has an obligation to report any irregularity that he/she becomes aware of. The failure to report any such irregularity could result in appropriate actions being taken against such employee.
- b) The DR&PW's Policy on Whistle Blowing / Protected Disclosures and the DR&PW Whistle Blowing / Protected Disclosures Guidelines are attached as Annexure D and Annexure E respectively, and provide for the procedure to follow in reporting any irregularity.
- c) The DR&PW will ensure that a Fraud and Corruption Information System is developed for the following purposes:
  - (i) recording all allegations;
  - (ii) tracking progress with the management of tracking allegations;
  - (iii) to facilitate the early identification of systemic weaknesses and recurring risks and inform managers and employees of systemic weaknesses/risks;
  - (iv) provide feedback to employees and other whistle blowers on the management of allegations; and
  - (v) to provide relevant information on fraud and corruption to designated national institutions.
- d) The departmental Fraud Prevention, Ethics and Risk management Committee (FPERC) will monitor progress with the investigation of allegations of fraud and corruption and will report same to the Internal Audit Committee (IAC) of the DR&PW.

### **6.4 The DR&PW Anti-Fraud and Corruption Policy and Response Plan**

- 6.4.1 The Anti-Fraud and Corruption Policy and Response Plan details the DR&PW's policy stance on fraud and corruption, as well as the steps to be followed to report, investigate and resolve incidents of fraud and/or corruption which impact on it.
- 6.4.2 In terms of the Anti-Fraud and Corruption Policy, all employees are obliged to report any irregularity affecting the DR&PW that they notice or become aware of, failing which appropriate action could be taken against such person(s) for failure to report such irregularity, including where officials are required to do investigations/projects which may lead to the uncovering of acts of financial misconduct/fraud/negligence/etc.
- 6.4.3 The DR&PW's Policy on Whistle Blowing / Protected Disclosures and the DR&PW Whistle Blowing / Protected Disclosures Guidelines provide for the manner in which the DR&PW will handle allegations of fraud and corruption.

## 7. IMPLEMENTATION AND MAINTENANCE

The Anti-Fraud and Corruption Policy and Response Plan will be circulated to all employees of the DR&PW, together with The Code. The awareness programme with regard to the Anti-Fraud and Corruption Policy and Response Plan and The Code will be sustained on an ongoing basis.

### 7.1 The Creation of Awareness

In order to implement The Plan successfully, the DR&PW will maintain an effective and sustained awareness campaign. This component of The Plan is divided into two categories, namely:

- a) Education; and
- b) Communication.

#### 7.1.1 Education

The process which the DR&PW will implement to create awareness through education will be attained by the following:

- a) Conducting fraud and corruption awareness presentations for employees.
- b) Formal education workshops to be convened for managers and selected employees of the DR&PW, whose responsibility would be to extend such awareness to other staff within the DR&PW.
- c) Informing employees on an ongoing basis on what constitutes fraud and corruption.
- d) Promoting the DR&PW policies that must be adhered to, including values and The Code.
- e) Informing employees of fraud and corruption risks to create an understanding of specific risks to which the DR&PW may be exposed, thus enhancing the prospect of detecting irregularities earlier.
- f) Encouraging employees to blow the whistle on fraud and corruption.
- g) Employee awareness of the current legislative framework as it relates to fraud and corruption, and their obligations and rights should they blow the whistle on fraud and corruption, the nature of the Witness Protection System and the roles and responsibilities of existing anti-corruption institutions.

#### 7.1.2 Communication

- a) The objective of communication on The Plan is to create awareness amongst employees and other stakeholders in order to facilitate a culture where all stakeholders strive to contribute towards making The Plan a success and to sustain a positive, ethical culture within the DR&PW.

- b) The strategies that will be implemented by the DR&PW are the following:
  - (i) Placement of The Plan Policy Document (Compilation of Policies) and the Anti-Fraud, Anti-Corruption and Ethics Strategy of the Department on the DR&PW Website and Intranet, which would make it available to all employees and the public at all times.
  - (ii) Attachments to bid invitation documents relating to the DR&PW's stance on fraud and corruption, where such irregularities can be reported and the actions which will be considered.

## **7.2 Ongoing Maintenance and Review of The Plan**

7.2.1 The FPERC of the DR&PW will provide input in the maintenance and review of The Plan.

This includes the following:

- a) Reviewing and making appropriate amendments to The Code and the Anti-Fraud and Corruption Policy and Response Plan.
- b) Amending the awareness programme as necessary and coordinating the implementation of the changes across the DR&PW.
- c) Ensuring that ongoing fraud and corruption communication strategies are developed and implemented.
- d) Developing and overseeing the implementation of additional strategies to motivate buy-in and create awareness amongst all employees and other stakeholders.

7.2.2 The CRO will also provide input in the ongoing maintenance and review of The Plan. This includes:

- a) Evaluating reports of fraud and corruption received and highlighting areas of fraud and corruption within the DR&PW.
- b) Considering fraud and corruption threats to the DR&PW and making recommendations to appropriate committees or management.
- c) Considering criminal activity threatening the DR&PW and making fraud and corruption prevention recommendations relating to incidents of fraud and corruption.
- d) Steering and taking responsibility for The Plan.
- e) Reviewing and making appropriate amendments to The Code and the Anti-Fraud and Corruption Policy and Response Plan.
- f) Amending the awareness programme as necessary, and coordinating the implementation of the changes.
- g) Ensuring that ongoing communication and implementing strategies are developed and implemented in the DR&PW.

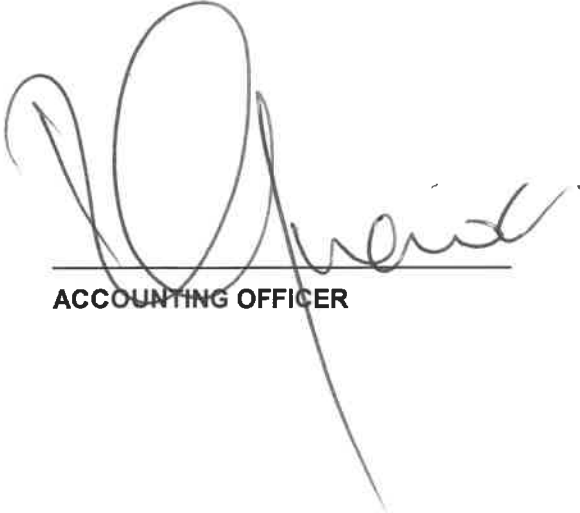
7.2.3 The Plan will be reviewed as the need arises, or at least every five (5) years, whilst progress with the implementation of the various components will be reviewed on a quarterly basis. In the latter regard, specific priorities stemming from The Plan, actions to be taken, responsible persons and feedback dates relating to progress made will also be set.

**8. APPROVAL OF THE PLAN: DR&PW ANTI-FRAUD AND  
CORRUPTION IMPLEMENTATION PLAN AND DATE OF  
EFFECT**

*This Policy is Approved / Not Approved*

*Comments:*

.....  
.....  
.....  
.....



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**ACCOUNTING OFFICER**

02/11/20  
\_\_\_\_\_

**DATE**



**the dr&pw**

Department:  
Roads and Public Works  
NORTHERN CAPE PROVINCE  
REPUBLIC OF SOUTH AFRICA

## INTERNAL MEMO

<b>DATE:</b>	27 OCTOBER 2020	<b>REF. NO.</b>	
<b>TO:</b>	THE DIRECTOR: STRATEGIC PLANNING		
<b>FROM:</b>	THE DEPUTY DIRECTOR: POLICY AND RESEARCH MANAGEMENT SERVICES		
<b>SUBJECT:</b>	<b>SUBMISSION FOR APPROVAL OF THE PLAN: REVIEWED COMPILATION OF DEPARTMENTAL POLICIES ON FRAUD, CORRUPTION AND ETHICS MANAGEMENT, VERSION 3</b>		

Dear Ms. Bekebeke

Please find attached the draft policies and submission documents that the Compilation of Policies on Fraud, Corruption and Ethics Management, called The Plan consist of, for your perusal and consideration, and which are hereby submitted for approval and / or adoption by the Acting Head of Department (HOD).

Regards

---

Mr. T. Ferreira  
Manager: Policy and Research Management Services



**the dr&pw**

Department:  
Roads and Public Works  
NORTHERN CAPE PROVINCE  
REPUBLIC OF SOUTH AFRICA

## INTERNAL MEMO

<b>DATE:</b>	27 OCTOBER 2020	<b>REF. NO.</b>	
<b>TO:</b>	THE HEAD OF DEPARTMENT (HOD)		
<b>FROM:</b>	THE DIRECTOR: STRATEGIC PLANNING MANAGEMENT		
<b>COPY:</b>	THE CHIEF DIRECTOR: CORPORATE AND MANAGEMENT SERVICES		
<b>SUBJECT:</b>	<b>SUBMISSION FOR APPROVAL OF THE PLAN: REVIEWED COMPILATION OF DEPARTMENTAL POLICIES ON FRAUD, CORRUPTION AND ETHICS MANAGEMENT, VERSION 3</b>		

### Purpose

1. The purpose of this submission is to obtain approval from the Acting Head of Department (HOD) for the operationalization within the Department of the draft policies that the Compilation of Policies on Fraud, Corruption and Ethics Management, called The Plan, consist of, which have been reviewed.

### Recommendations

1. The final drafts of the above mentioned policies have been circulated departmentally by the Communication and Marketing Unit.
2. It is therefore recommended that the Acting HOD approve these reviewed policies as Departmental policy.
3. Please see e-mail attached of the Evidence of Departmental Consultation.

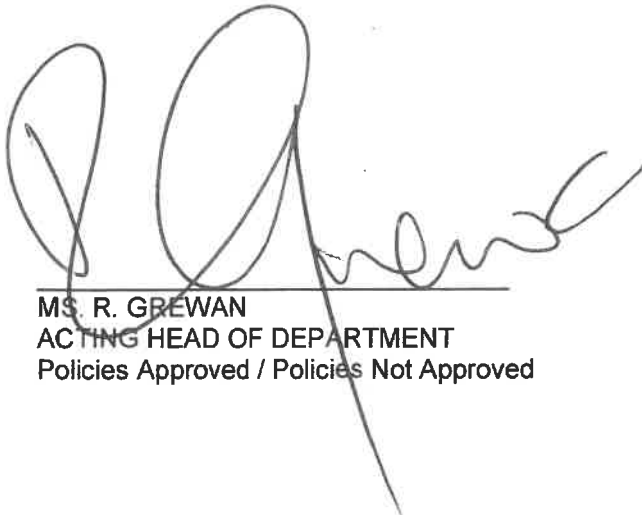
  
\_\_\_\_\_  
MS. B. BEKEBEKE  
DIRECTOR: STRATEGIC PLANNING MANAGEMENT  
Recommended / Not Recommended

27/10/2020  
DATE

**SUBMISSION FOR APPROVAL OF THE PLAN REVIEWED COMPILATION OF  
DEPARTMENTAL POLICIES ON FRAUD, CORRUPTION  
AND ETHICS MANAGEMENT, VERSION 3**

\_\_\_\_\_  
MS. A. MPOTSANG  
CHIEF DIRECTOR: CORPORATE AND MANAGEMENT SERVICES  
Recommended / Not Recommended

\_\_\_\_\_  
DATE



\_\_\_\_\_  
MS. R. GREWAN  
ACTING HEAD OF DEPARTMENT  
Policies Approved / Policies Not Approved

02/11/20  
\_\_\_\_\_  
DATE





**the dr&pw**

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Department:  
Roads and Public Works  
NORTHERN CAPE PROVINCE  
REPUBLIC OF SOUTH AFRICA

**THE PLAN: REVIEWED COMPILATION  
OF DEPARTMENTAL POLICIES ON  
FRAUD, CORRUPTION AND ETHICS  
MANAGEMENT**

**SUBMISSION FOR APPROVAL  
OCTOBER 2020**

**EVIDENCE OF CONSULTATION WITH  
DEPARTMENTAL STAKEHOLDERS**

**From:** DRPW-Info  
**To:** ABavasah; ABrand; AFembers; AKula; ALesotho; ALSishi; amaina@vodam...  
**Date:** 8/20/2020 8:18 AM  
**Subject:** ANTI-CORRUPTION, FRAUD & ETHICS - REVIEW OF THE PLAN POLICY  
COMPILATION  
**Attachments:** DR&PW DEPARTMENTAL POLICY - THE PLAN - 2020.docx

Good day Colleagues,

Kindly find attached the latest version of the DR&PW Policy Document, The Plan, which is a compilation of Policy Documents on Anti-Corruption, Fraud and Ethics measures, which is also under review.

The due date for inputs/feedback from staff members is Friday, 11 September 2020. Inputs can be sent to [tferreira@ncpg.gov.za](mailto:tferreira@ncpg.gov.za)

Thank you

**From:** DRPW-Info  
**To:** A AMokwadi; A Maina; A van Staden; ABavasah; ABrand; AFembers; AKu...  
**Date:** 10/5/2020 9:24 AM  
**Subject:** POLICY CONSULTATION: DR&PW ANTI-FRAUD, ANTI-CORRUPTION, ETHICS STRATEGY  
**Attachments:** DR&PW ANTI-FRAUD, ANTI-CORRUPTION AND ETHICS STRATEGY - .docx

Good day Colleagues,

Kindly find attached Version of the Draft DR&PW Anti-Fraud, Anti-Corruption and Ethics Strategy.

Please note that the due date for feedback is Monday, 12 October 2020 and inputs can be sent to [tferreira@ncpg.gov.za](mailto:tferreira@ncpg.gov.za)

Thanking you

## TFerreira - POLICY CONSULTATION: DR&PW Committee Terms of Reference

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**From:** DRPW-Info

**To:** A AMokwadi; A Maina; A van Staden; ABavasah; ABrand; AFembers; AKula; ALesotho; ALSishi; AMasisi; AMiller; AMkhize; AMoeti; AMofokeng; AMPotsang; Andre Jooste; Andrew Pulen; APulen; ARudman; ASwanepoel; AvanHeerden; B BDamon; BaatileItumeleng; Babalwa Bekebeke; BBarends; BBoebeje; BChotelo; BCloete; BGAonakala; BGoba; BKapanda; BMazwi; BMeruti; BMontshiwa; BonoloMakoko; BosmanP; BPitso; Bradley Slingers; BSedisho; BSemau; BSlingsers; BValentine; C CvanRooi; C Robertson; CABrahams; CAdams; CBailey; CChakela; CDenysschen; CFourie; ChanelFourie; ChantelleCloete; ChristinaF; CKakora; Clive Bailey; CMrwebi; CNdebele; CRabaji; CRobertson; CValentine; D DMokoena; D DMwembo; DBingwa; DBingwane; Denice Bingwane; DGaehete; DKowa; DMAqutya; DMAqutya; DMokgathe; DMonyamane; DPhirisi; DRPW-Info; DRPW-Switchboard; DSolo; DSwartz; DTsoai; DvdMerwe; EbenSwartbooi; EBeukes; EBlauw; EBreytenbach; Ed Simon; EduPlessis; Edward Simon; EJobe; EJonkers; EKhatwane; ELecwedi; Ella Modise; EMichaels; ENodoba; EPino; EricksenA; ESimon; F Dooling; FMogoje; FPetoro; fufemakatong@gmail.com; FvanVuuren; GAppels; Garnett Keyser; GJacobs; Gladwyn Stuurman; GMoabi; GMolale; GNakana; GPietersen; GPino; GRiet; GSalimana; GSefotlho; GSwanepoel; GThupe; GTopkin; Harold Roberts; Henry De Wee; HvanderMerwe; I Bulane; I ICarolus; IIThopile; I Michaels; IFredericks; I Lottering; IMolore; IOliphant; IRammutla; Isaac Prins; J Esterhuyse; J JHanekom; JillianWilliams; JMarx; JMhlongo; JMhlongo; JMolale; JMoncho; JMphole; JSehume; JSeptember; JSibiya; JSpetember; JTawine; June Erasmus; K KMaarman; K KMatonkonyane; K Malgask; KAaron; KagishoModise; KatzS; KBeuzana; KBopape; KChomi; KDennis; Kenneth Markman; KERicksen; KHenyekane; KKgomo; KKross; KLawrence; KLeboko; KLeserwane; KMarkman; KMatthews; KNdaba; KPike; KPMogorosi; KRifles; KrugerS; KSegwai(...)

**Date:** 10/13/2020 2:55 PM

**Subject:** POLICY CONSULTATION: DR&PW Committee Terms of Reference

**Attachments:** ToR of the DR&PW FPERC - Ver 1 - 2020.docx

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Good Day colleagues

Please find attached the Terms of Reference of the Departmental Fraud Prevention, Ethics and Risk management Committee (FPERC).

The due date for inputs is Wednesday, 21 October 2020 and feedback can be sent to Mr. Tom Ferreira, email address: [tferreira@ncpg.gov.za](mailto:tferreira@ncpg.gov.za)

Thank You



DRPW-info@ncpg.gov.za  
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Tel: 053 839 2100  
 Fax: 053 8392290

*Trendsetters in infrastructure delivery to change the economic landscape of the province'*

## T Ferreira - REMINDER: POLICY CONSULTATION: DR&PW Committee Terms of Reference

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**From:** DRPW-Info

**To:** A AMokwadi; A Maina; A van Staden; ABavasah; ABrand; AFembers; AKula; ALesotho; ALSishi; AMasisi; AMiller; AMkhize; AMoeti; AMofokeng; AMPotsang; Andre Jooste; Andrew Pulen; APulen; ARudman; ASwanepoel; AvanHeerden; B BDamon; BaatileItumeleng; Babalwa Bekebeke; BBarends; BBoebeje; BChotelo; BCloete; B Gaonakala; BGoba; BKapanda; BMazwi; BMeruti; BMontshiwa; BonoloMakoko; BosmanP; BPitso; Bradley Slingers; BSedisho; BSemau; BSlingers; BValentine; C CvanRooi; C Robertson; CAbrahams; CAdams; C Bailey; CChakela; CDenysschen; CFourie; ChanelFourie; ChantelleCloete; ChristinaF; CKakora; Clive Bailey; CMrwebi; CNdebele; CRabaji; CRobertson; CValentine; D DMokoena; D DMwembo; DBingwa; DBingwane; Denice Bingwane; DGaehete; DKowa; DMAqutyana; DMAqutyana; DMokgatlhe; DMonyamane; DPhirisi; DRPW-Info; DRPW-Switchboard; DSolo; DSwartz; DTsoai; DvdMerwe; EbenSwartbooi; EBeukes; EBlaauw; EBreytenbach; Ed Simon; EduPlessis; Edward Simon; EJobe; EJonkers; EKhatwane; ELecwedi; Ella Modise; EMichaels; ENodoba; EPino; EricksenA; ESimon; F Dooling; FMogoje; FPetoro; fufemakatong@gmail.com; FvanVuuren; GAppels; Garnett Keyser; GJacobs; Gladwyn Stuurman; G Moabi; GMolale; GNakana; GPIetersen; GPino; GRiet; GSalimana; G Sefotlho; GSwanepoel; GThupe; GTopkin; Harold Roberts; Henry De Wee; HvanderMerwe; I Bulane; I I Carolus; I ITihopile; I MichaelsI; IFredericks; I Lottering; I Molore; IOliphant; IRammutla; Isaac Prins; J Esterhuysen; J J Hanekom; JillianWilliams; JMarx; JMhlongo; JMhlongo; J Molale; J Moncho; JMphole; JSehume; JSeptember; JSibiya; JSpetember; JTawine; June Erasmus; K K Maarman; K KMatonkonyane; K Malgask; KAaron; KagishoModise; KatzS; KBeuzana; KBopape; KChomi; KDennis; Kenneth Markman; KEricksen; KHenyekane; K Kgomo; KKross; KLawrence; KLeboko; KLeserwane; KMarkman; KMatthews; KNdaba; KPike; KPMogorosi; KRifles; KrugerS; KSegwai(...)

**Date:** 10/15/2020 8:00 AM

**Subject:** REMINDER: POLICY CONSULTATION: DR&PW Committee Terms of Reference

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Good day Colleagues

Kindly be reminded that the due date for inputs regarding the Policy Consultation below is **21 October 2020**.

**For clarity, kindly consult Mr. tom Ferreira, Manager for Policy and Research Management Services**

Thank you



DRPW-info@ncpg.gov.za  
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8301

Tel: 053 839 2100  
Fax: 053 8392290

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>>> DRPW-Info 10/13/2020 3:01 PM >>>

Good Day colleagues

Please find attached the Terms of Reference of the Departmental Fraud Prevention, Ethics and Risk management Committee (FPERC).

The due date for inputs is Wednesday, 21 October 2020 and feedback can be sent to Mr. Tom Ferreira, email address: [tferreira@ncpg.gov.za](mailto:tferreira@ncpg.gov.za)

Thank You



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