



**FACTSHEET ON COMPLETED
DISCIPLINARY PROCEEDINGS ON
FINANCIAL MISCONDUCT FOR THE
2016/2017 FINANCIAL YEAR**

**PUBLIC SERVICE COMMISSION
NOVEMBER 2017**



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- reporting on its activities.

FACTSHEET ON COMPLETED DISCIPLINARY PROCEEDINGS ON FINANCIAL MISCONDUCT FOR THE 2016/2017 FINANCIAL YEAR

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1. INTRODUCTION AND BACKGROUND

In terms of the Public Finance Management Act, 1999 (PFMA) read in conjunction with the Treasury Regulations, 2002, accounting officers of departments are required to report on the outcome of completed disciplinary proceedings on financial misconduct, to amongst others, the Public Service Commission (PSC). Given the Constitutional mandate of the PSC, it monitors and evaluates amongst others how departments are managing financial misconduct, which is part of ensuring that the Public Service maintain a high standard of professional ethics. Thus, the PSC has since the 2001/2002 financial year published Reports/Factsheets on financial misconduct annually.

Information provided by national and provincial departments was analysed and this "*Factsheet on Completed Disciplinary Proceedings on Financial Misconduct for the 2016/2017 Financial Year*", was compiled. This Factsheet contains information on completed disciplinary proceedings on financial misconduct reported by national and provincial departments for the 2016/2017 financial year, trends analysis of completed disciplinary proceedings on financial misconduct reported by national and provincial departments for the financial years 2013/2014 to 2016/2017 and disciplinary proceedings on financial misconduct that were not completed by national and provincial departments as at 31 March 2017.

2. OBJECTIVES OF THE STUDY

The objectives of the "*Factsheet on Completed Disciplinary Proceedings on Financial Misconduct for the 2016/2017 Financial Year*", are to provide:

- a statistical overview of completed disciplinary proceedings on financial misconduct reported by national and provincial departments for the 2016/2017 financial year;
- a trends analysis of completed disciplinary proceedings on financial misconduct reported by national and provincial departments for the financial years 2013/2014 to 2016/2017; and
- information on disciplinary proceedings on financial misconduct that were not yet completed by national and provincial departments as at 31 March 2017.

3. STATISTICAL OVERVIEW

3.1 Total number of completed disciplinary proceedings on financial misconduct reported by national departments and provinces for the 2016/2017 financial year

In line with the Treasury Regulations, departments are required to report on completed disciplinary proceedings on financial misconduct to amongst others, the PSC.

All national departments submitted their reports on completed disciplinary proceedings on financial misconduct. With regard to the provincial departments, all provincial departments except for the Department of Health: North West Province failed to submit its reports on disciplinary proceedings on financial misconduct.

Seventy three (73) out of the 159 national and provincial departments submitted a “nil return”. A “nil return” means that the department reported that no financial misconduct cases were completed in the 2016/2017 financial year. Twenty two (22) out of the 46 national departments and 51 out of the 113 provincial departments submitted a “nil return”. Appendix A provides a list of the 22 national and 51 provincial departments that submitted a “nil return”.

Figure 1 below shows that national and provincial departments reported that 1150 disciplinary proceedings on financial misconduct were completed for the 2016/2017 financial year. Of the 1150 completed disciplinary proceedings on financial misconduct reported, 758 (65.9%) cases were reported by national departments and 392 (34.1%) were reported by provincial departments:

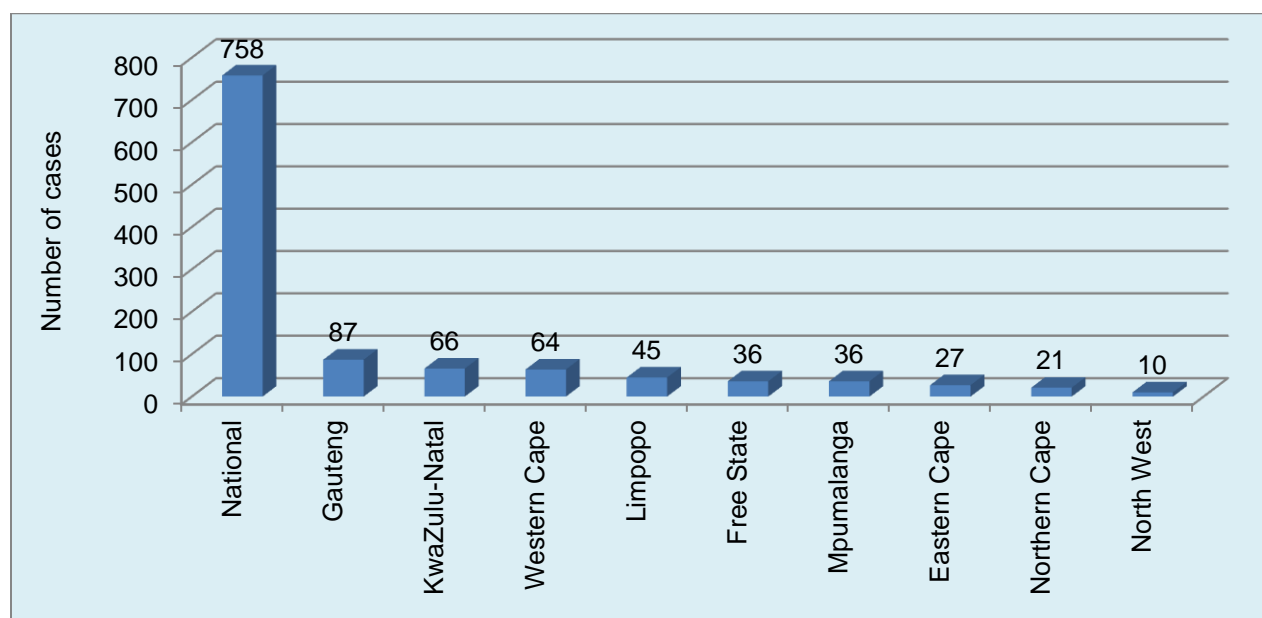


Figure 1: Total number of completed disciplinary proceedings on financial misconduct reported by national departments and provinces for the 2016/2017 financial year

Figure 1 above shows that national departments reported the highest number of completed disciplinary proceedings on financial misconduct in comparison to the 9 provinces i.e 758 (65.9%) cases. The Gauteng Province reported the second highest number of completed disciplinary proceedings on financial misconduct at 87 (7.6%) cases. This was followed by Kwazulu-Natal Province at 66 (5.7%) cases. The North West Province reported the least number of completed disciplinary proceedings on financial misconduct at 10 (0.9%) cases.

Appendix B provides an overview of the 1150 completed disciplinary proceedings on financial misconduct reported by the national and provincial departments for the 2016/2017 financial year. Of the 1150 completed disciplinary proceedings on financial misconduct reported by national and provincial departments, the national Department of Social Development reported the highest number of completed disciplinary proceedings on financial misconduct at 328 (28.5%). The Department of Police reported the second highest number of completed disciplinary proceedings on financial misconduct at 294 (25.6%). This was followed by the Department of Health: Gauteng Province at 59 (5.1%) completed disciplinary proceedings on financial misconduct. Twenty six

(26) national and provincial departments reported the least number of cases at 1 (0.1%) each (see Appendix C).

3.2 Types of financial misconduct cases reported by national and provincial departments for the 2016/2017 financial year

Treasury Regulations 4.3.1¹ stipulates that departments must, amongst others, report on the type of financial misconduct the official is alleged to have committed. However, the PSC, for statistical purposes, categorised the types of financial misconduct cases reported by departments as indicated in Table 1 below:

Table 1: Description of the types of financial misconduct cases

TYPE	DESCRIPTION
Corruption	For a comprehensive description of corruption, refer to the Prevention and Combating of Corrupt Activities Act, 2004 ² .
Fraud	The unlawful and intentional making of a misrepresentation which causes actual and/or potential prejudice to another.
Fruitless and Wasteful expenditure	The expenditure which was made in vain and would have been avoided had reasonable care been exercised.
Gross negligence	Any act or omission without considering the consequences thereof.
Irregular Expenditure	Expenditure other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation including the PFMA, the State Tender Board Act, 1968 ³ or any legislation providing for procurement procedures in that provincial government.
Misappropriation and abuse	The wrongful, improper or excessive use of public funds and/or assets in a person's care.
Theft	The unlawful taking with the intent to steal something which is prone to being stolen.
Unauthorised expenditure	An overspending of the Vote or Main Division within a Vote, or Spending that is not in accordance with the Purpose of a Vote or Main Division within a Vote.

Figure 2 below provides an overview of the types of financial misconduct cases reported by national and provincial departments.

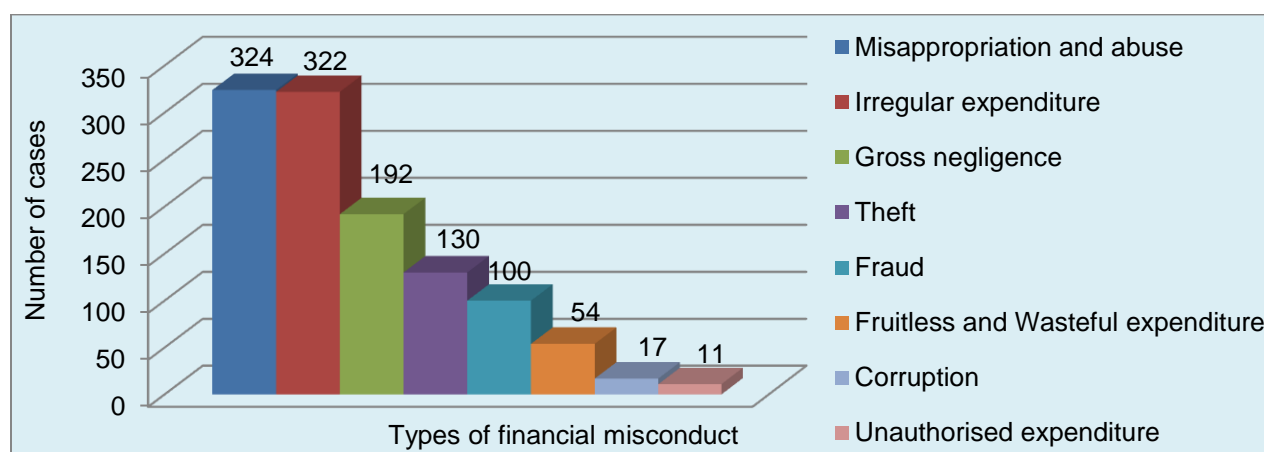


Figure 2: Types of financial misconduct cases reported by national and provincial departments for the 2016/2017 financial year

¹ Republic of South Africa. Treasury Regulations, 2002 published in Government Gazette No 23463 dated 25 May 2002.

² Republic of South Africa. Prevention and Combating of Corrupt Activities Act, No 12 of 2004.

³ Republic of South Africa. The State Tender Board Act, No. 86 of 1968.

Of the **1150** completed disciplinary proceedings on financial misconduct reported by national and provincial departments, “*Misappropriation and abuse*” was committed in **324 (28.2%)** cases. This was followed by “*Irregular expenditure*” at **322 (28%)** cases and “*Gross negligence*” at **192 (16.7%)** cases. “*Unauthorised expenditure*” was the type with the least number of cases at **11 (1%)**.

3.3 Levels of employees charged with financial misconduct by national and provincial departments for the 2016/2017 financial year

Treasury Regulation 4.3.1⁴, stipulates that departments must report on, amongst others, the **ranks** of the employees that have been charged with financial misconduct. Due to the different rank designations in departments, the PSC requested departments to indicate the salary levels of employees instead of ranks, for statistical purposes.

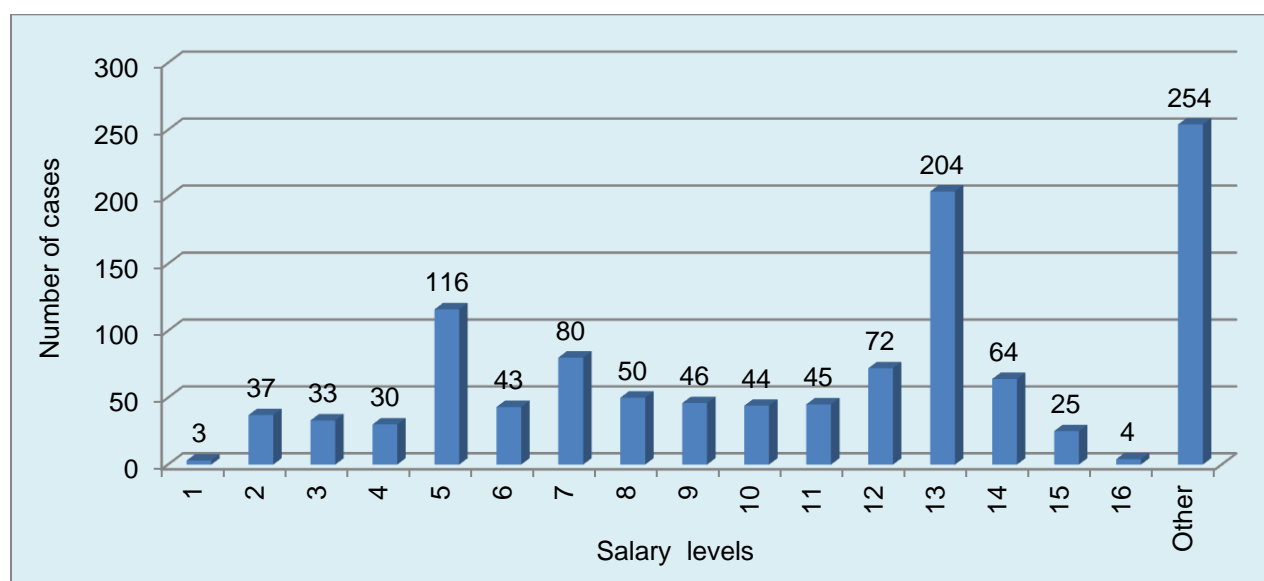


Figure 3: Levels of employees charged with financial misconduct by national and provincial departments for the 2016/2017 financial year

Figure 3 above provides a breakdown of the **1150** completed disciplinary proceedings on financial misconduct per salary level. A breakdown per salary levels lower than MMS (salary levels 1-8), MMS (salary levels 9 to 12), SMS (levels 13 to 16) and Other (salary levels that did not fall within salary levels 1 to 16) is provided below:

- **392 (34.1%)** cases were at salary levels 1-8.
- **207 (18%)** cases were at the Middle Management Service (MMS) level (salary levels 9-12).
- **297 (25.8%)** cases were at Senior Management Service (SMS) level (salary levels 13-16).
- **254 (22.1%)** cases, departments indicated salary levels that did not fall within salary levels 1 to 16 utilised in the Public Service. Of the **254** cases, the Department of Higher Education and Training reported **2** cases as post level (“*PL*”), the Department of Police reported **247** cases as “*Band*” and the Department of Social Development reported **5** cases indicating that

⁴ Republic of South Africa. Treasury Regulations, 2002 published in Government Gazette No 23463 dated 25 May 2002.

the employees were “Interns”. Given that these salary levels fell outside salary levels 1 to 16, the PSC considered the salary levels as “Other”.

Although financial misconduct is prevalent at all salary levels, the highest number of cases were reported at salary level 13 at **204 (17.7%)** cases. This was followed by salary level 5 at **116 (10.1%)** cases and salary level 7 at **80 (7%)** cases. The least number of cases reported was at salary level 1 at **3 (0.3%)** cases.

3.4 Outcome of completed disciplinary proceedings on financial misconduct reported by national and provincial departments for the 2016/2017 financial year

Treasury Regulation 4.3.1, stipulates that departments must report on, amongst others, the **outcome** of completed disciplinary proceedings on financial misconduct. The PSC has categorised the outcomes for statistical purposes. The outcomes of the completed disciplinary proceedings on financial misconduct reported by departments are indicated in **Table 2** below:

Table 2: Outcome of completed disciplinary proceedings on financial misconduct reported by national an provincial departments for the 2016/2017 financial year

CATEGORY	DESCRIPTION
Guilty	Cases where the Chairperson of the disciplinary hearing had found the employee guilty of the charge(s), or the employee pleaded guilty to the charges.
Withdrawn	Cases where the employee was charged with misconduct, but the charge(s) was/were withdrawn. The reasons for the withdrawal of the charges are ascribed to a lack of evidence to substantiate the charge, the timeframe lapsed since the incident occurred, the employee repaying the loss and in some cases the transfer of the employee to another department.
Not guilty	Cases where the Chairperson of the disciplinary hearing has found the employee not guilty of the charge(s).
Retired/ Deceased/Resigned/ Absconded/ Transferred	Cases where, whilst the disciplinary case was pending – <ul style="list-style-type: none"> the employee attained the prescribed retirement age and retired from the Public Service (Retired); the employee passed on (Deceased); the employee has left the employ of the Public Service (Resigned); and the employee absented him/herself from his/her official duties without permission for a period exceeding one calendar month (Absconded). the employee moved to another department/institution (Transferred).

Section 16B (6) of the Public Service Act, 103 of 1994 (as amended)⁵, indicates that “*If notice of a disciplinary hearing was given to an employee, the relevant executive authority shall not agree to a period of notice of resignation which is shorter than the prescribed period of notice of resignation applicable to that employee*”. In view of this Section, relevant executive authority are required not to accept a notice of resignation from an employee who has been given a notice of disciplinary hearing. Should a Department fail to comply with the provisions of any section of the Public Service Act, 103 of 1994 (as amended), cognisance should be taken of the consequences of non-compliance, which is stipulated as follows in Section 16A of the said Act:

⁵ Republic of South Africa. The Public Service Act 103 of 1994, (as amended).

- (1) *An executive authority shall—*
 - (a) *immediately take appropriate disciplinary steps against a head of department who does not comply with a provision of this Act or a regulation, determination or directive made thereunder;*
 - (b) *immediately report to the Minister the particulars of such non-compliance;*
and
 - (c) *as soon as possible report to the Minister the particulars of the disciplinary steps taken.*
- (2) *A head of a department shall—*
 - (a) *immediately take appropriate disciplinary steps against an employee of the department who does not comply with a provision of this Act or a regulation, determination or directive made thereunder;*
 - (b) *immediately report to the Director-General: Public Service and Administration the particulars of such non-compliance; and*
 - (c) *as soon as possible report to that Director-General the particulars of the disciplinary steps taken.*

Figure 4 below provides an overview of the outcome of completed disciplinary proceedings on financial misconduct reported to the PSC by national and provincial departments for the 2016/2017 financial year.

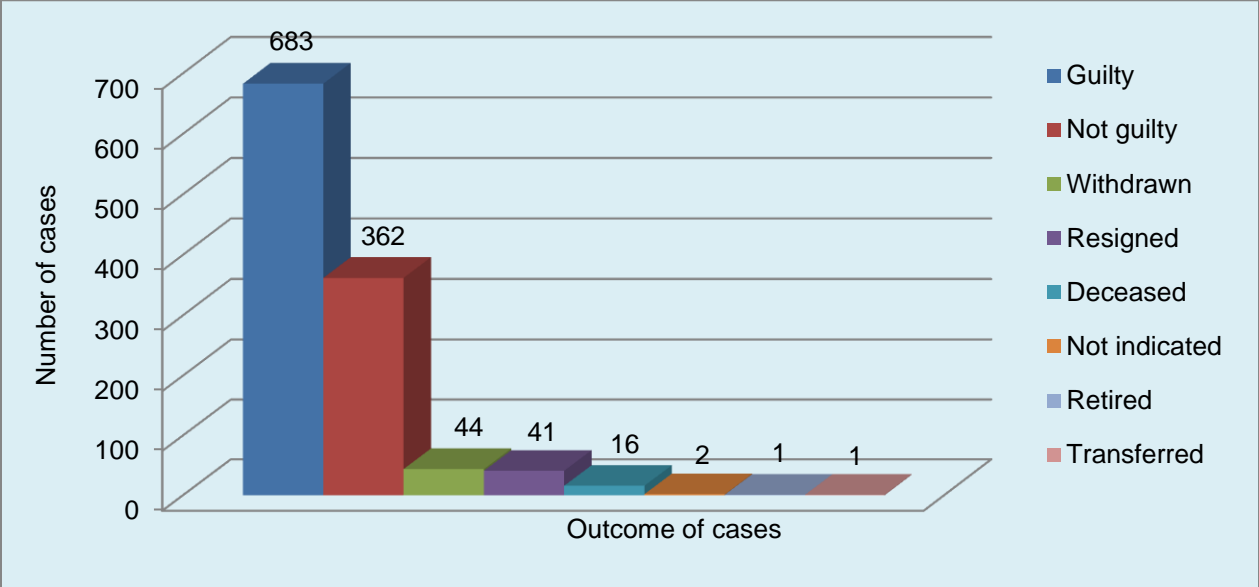


Figure 4: Outcome of completed disciplinary proceedings on financial misconduct reported by national and provincial departments for the 2016/2017 financial year

A breakdown of the outcome of the **1150** completed disciplinary proceedings on financial misconduct is as follows:

- **683 (59.4%)** cases, employees were found guilty.
- **362 (31.5%)** cases, employees were found not guilty.
- **44 (3.8%)** cases were withdrawn.

- **41 (3.5%)** cases, employees resigned prior to the completion of the disciplinary proceeding.
- **16 (1.4%)** cases, employees were deceased prior to the completion of the disciplinary proceeding.
- **2 (0.2%)** cases, the Department did not indicate the outcome of the case.
- **1 (0.1%)** case, the employee retired prior to the completion of the disciplinary proceeding.
- **1 (0.1%)** case, the employee transferred to another department prior to the completion of the disciplinary proceeding, however, criminal action was taken against the employee.

3.5 Sanctions imposed in completed disciplinary proceedings on financial misconduct

In terms of section 38 of the PFMA⁶, an Accounting Officer of a department must take effective and appropriate disciplinary steps against an employee who contravenes or fails to comply with the provisions of the PFMA and/or who undermines the financial management and internal control system of the department. This is put into effect by various procedures pertaining to disciplinary action that are applicable in the Public Service, depending on the legislation in terms of which an employee is employed, e.g. the Public Service Act, 1994⁷, the South African Police Service Act, 1995⁸ and the Defence Act, 1957⁹.

Note: *“Combination of sanctions” refers to those cases where the chairperson of the disciplinary hearing pronounced two sanctions e.g. a final written warning and suspension without pay, as provided for in clause 7.4(a)(v) of the Disciplinary Code and Procedures for salary levels 1-12 and in clause 2.7 (4) (a) of the Disciplinary Code and Procedures for SMS members.*

“Suspended dismissal”, is a sanction imposed in terms of the South African Police Service Discipline Regulations, 2006. It means, should the employee commit a similar or related act of misconduct before the expiry of the six months’ period, the sanction of dismissal will be implemented.

“Suspended sentence”, is a sanction imposed in terms of the Military Disciplinary Supplementary Measures Act, 1999¹⁰. It means, should the offender commit a similar or related act of misconduct before the expiry period of the sanction, then the operation of a sentence will be brought before the Court of a Military Judge or a Senior Military Judge by an assigned prosecution counsel.

⁶ Republic of South Africa. The Public Finance Management Act 1 of 1999.

⁷ Republic of South Africa: The Public Service Act 103 of 1994 (as amended).

⁸ Republic of South Africa: The South African Police Service Act 68 of 1995.

⁹ Republic of South Africa: The Defence Act 44 of 1957.

¹⁰ Republic of South Africa: The Military Discipline Supplementary Measures Act 16 of 1999

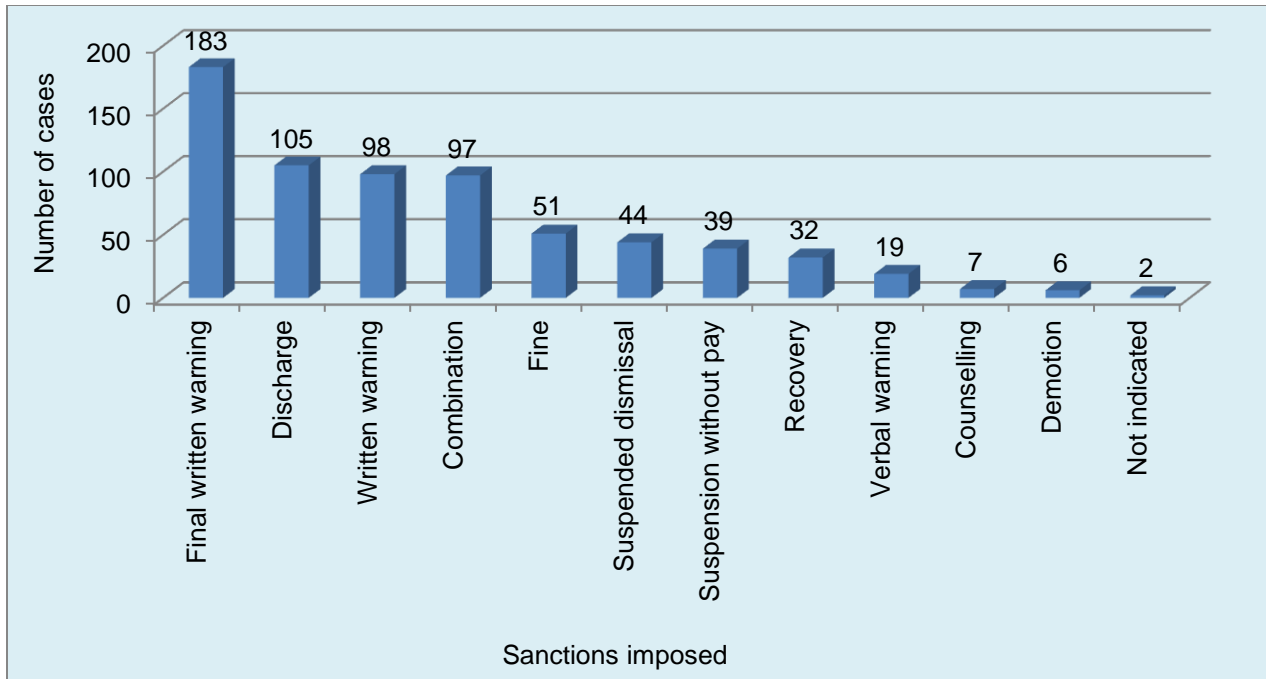


Figure 5: Sanctions imposed in completed disciplinary proceedings on financial misconduct reported by national and provincial departments for the 2016/2017 financial year

Figure 5 above shows that of the **1150** cases reported by national and provincial departments, employees were found guilty in **683 (59.4%)** cases. The highest imposed sanction for the 2016/2017 financial year was “*Final written warning*” which was imposed in **183 (26.8%)** cases. This was followed by “*Discharge*” which was imposed in **105 (15.4%)** cases and “*Written warning*” which was imposed in **98 (14.3%)** cases. The least imposed sanction was “*Demotion*” which was imposed in **6 (0.9%)** cases.

3.6 Amount of money involved in completed disciplinary proceedings on financial misconduct reported by national and provincial departments

Table 3 on the next page shows the total amount of money involved in completed disciplinary proceedings on financial misconduct reported by national and provincial departments for the 2016/2017 financial year. Not all cases of financial misconduct will result in a loss to the State. Examples of no loss to the State are when an employee is charged for the negligent loss of a laptop and the laptop is subsequently recovered or an item was procured without following the proper procurement procedures. Although a large portion of the amount involved is considered as no loss to the State, cognisance should be taken that for example in matters relating to procurement, the item procured or service provided might not have been procured economically.

Table 3: Total amount of money involved in completed disciplinary proceedings on financial misconduct reported by national departments and provinces for the 2016/2017 financial year

NATIONAL/ PROVINCES	AMOUNT INVOLVED	AMOUNT RECOVERED	NO LOSS TO THE STATE	AMOUNT NOT RECOVERED
NATIONAL	R246 025 219.68	R632 342.49	R239 678 720.15	R5 714 157.04
SUBTOTAL	R246 025 219.68	R632 342.49	R239 678 720.15	R5 714 157.04
PROVINCIAL				
Eastern Cape	R944 485.54	R159 104.41	R303 026.95	R482 354.18
Free State	R1 420 507.93	R144 852.71	R514 313.42	R761 341.80
Gauteng	R198 312 821.71	R282 428.80	R68 137.57	R197 962 255.34
KwaZulu-Natal	R54 889 424.45	R265 273.51	R481 553.01	R54 142 597.93
Limpopo	R2 589 688.34	R316 785.22	R1 179 868.01	R1 093 035.11
Mpumalanga	R16 665 572.68	R8 304 702.51	R445 219.40	R7 915 650.77
North West	R1 345 783.93	R1 022 285.00	R0.00	R323 498.93
Northern Cape	R1 407 101.50	R58 784.96	R1 168 000.00	R180 316.54
Western Cape	R752 470.00	R165 770.00	R400.00	R586 300.00
SUBTOTAL	R278 327 856.08	R10 719 987.12	R4 160 518.36	R263 447 350.60
TOTAL	R524 353 075.76	R11 352 329.61	R243 839 238.51	R269 161 507.64

Table 3 above shows that national and provincial departments reported that the total amount of money involved in completed disciplinary proceedings on financial misconduct for the 2016/2017 financial year was **R524 353 075.76**. An amount of **R11 352 329.61 (2.2%)** of the total amount involved in completed disciplinary proceedings on financial misconduct was recovered from the employees found guilty. An amount of **R243 839 238.51 (46.5%)** was considered as “no loss to the State” because the State did not suffer any loss. Furthermore, an amount of **R269 161 507.64** representing **51.3%** was not recovered at the time departments reported the outcome of the cases to the PSC.

Of the total amount of **R524 353 075.76** involved in completed disciplinary proceedings on financial misconduct reported by national and provincial departments, an amount comprising of **R246 025 219.68 (46.9%)** was reported by national departments and **R278 327 856.08 (53.1%)** was reported by the 9 provinces.

National departments reported that of the **R246 025 319.68** involved in completed disciplinary proceedings on financial misconduct, an amount of **R632 342.49 (0.3%)** was recovered from the employees found guilty of financial misconduct and an amount of **R239 678 720.15 (97.4%)** was considered as no loss to the State because the State did not suffer any loss. National departments reported that as at 01 April 2017 an amount of **R5 714 157.04 (2.3%)** was not recovered.

Provincial departments reported that of the **R278 327 856.08** involved in completed disciplinary proceedings on financial misconduct, an amount of **R10 719 987.12 (3.8%)** was recovered. An amount of **R4 160 518.36 (1.5%)** was considered no loss to the State and **R263 447 350.60 (94.7%)** was not recovered.

Appendix D provides a breakdown of the amount involved in the completed disciplinary proceedings on financial misconduct reported by national and provincial departments. The Department of Human Settlements: Gauteng Province reported the highest amount involved in financial misconduct, comprising of **R171 541 909.88 (32.7%)** of the total amount reported by

national and provincial departments. The national Department of Public Works reported the second highest amount comprising **R101 583 063.56 (19.4%)** of the total amount reported by all national and provincial departments. This was followed by the national Department of Basic Education at **R89 280 000.00** representing **17%** of total amount reported by national and provincial departments. The Department of Mineral Resources reported the lowest amount involved, amounting to **R13.44 (0.000003%)**.

The Gauteng Province reported the highest amount of money involved in completed disciplinary proceedings reported by provinces, at **R198 312 821.19 (71.3%)**. This was followed by KwaZulu-Natal Province at **R54 889 424.45**, representing **(19.7%)** of the total amount involved in completed disciplinary proceedings on financial misconduct reported by provinces. The Eastern Cape Province reported the lowest amount involved at **R944 485.54** representing **(0.3%)** of the total amount reported by provinces.

The following national and provincial departments reported cases of completed disciplinary proceedings, however, the amount involved was not stipulated:

National departments

- *Public Enterprises
- Rural Development and Land Reform
- Statistics South Africa
- Transport

Provincial departments

- Transport: Eastern Cape
- CoGTA : Free State
- Education: Free State
- Health: Northern Cape

* NB the Department of Public Enterprises reported that two officials were involved in one case, of which the case against the one was finalised and reported in the 2015/2016 financial year, thus the amount cannot be repeated for the case finalised in the 2016/2017 financial year.

The following national and provincial departments reported that the full amount involved in completed disciplinary proceedings was recovered:

National departments

- Agriculture, Forestry and Fisheries
- Mineral Resources
- Tourism

Provincial departments

- Agriculture: Gauteng
- Arts, Culture and Traditional Affairs: North West
- Provincial Treasury: Northern Cape
- Transport, Safety and Liaison: Northern Cape

The following national and provincial departments reported that the full amount involved in completed disciplinary proceedings was considered as no loss to the State:

National departments

- Arts and Culture
- CoGTA
- Small Business Development

Provincial departments

- Agriculture & Rural Development: Free State
- Health: Free State
- Agriculture, Land Reform and Rural Development: Northern Cape

3.7 Criminal proceedings instituted against employees charged with financial misconduct

Treasury Regulations 12.5 and 4.3.1¹¹, and the Prevention and Combating of Corrupt Activities (PCCA) Act, 2004¹², are the legislative frameworks that require departments to institute criminal proceedings against employees charged with financial misconduct. Furthermore, Paragraph 2.6 of the Disciplinary Code and Procedures for the Public Service (salary levels 1-12) and Paragraph 2.2.2 of the Disciplinary Code and Procedures for members of the SMS stipulates that *“If an employee commits misconduct that is also a criminal offence, the criminal procedure and the disciplinary procedure will continue as separate and different proceedings”*. Not all acts of financial misconduct will result in criminal action being taken against an employee. For example, cases of gross negligence, may not necessarily involve criminal conduct.

Figure 6 below provides a breakdown of further action taken with regards to criminal proceedings against employees charged with financial misconduct for the 2016/2017 financial year, whereby the disciplinary proceedings were completed. Of the **1150** completed disciplinary proceedings on financial misconduct reported by national and provincial departments, criminal proceedings were instituted against employees in **296 (25.7%)** cases. In **763 (66.4%)** cases, departments indicated that no criminal proceedings were instituted against employees. In **55 (4.8%)** cases, departments indicated that further action was not applicable. In **36 (3.1%)** cases, departments did not indicate whether or not criminal proceedings were instituted against employees charged with financial misconduct.

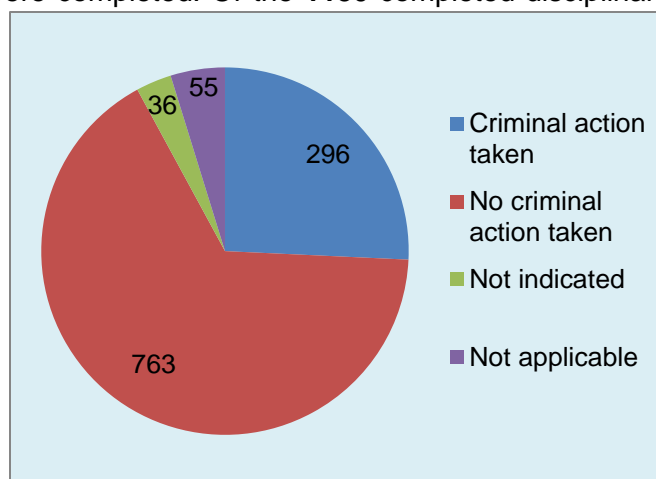


Figure 6: Breakdown of criminal proceedings instituted against employees charged with financial misconduct in the 2016/2017 financial year

¹¹ Republic of South Africa. Treasury Regulations, 2002 published in Government Gazette No 23463 dated 25 May 2002.

¹² Republic of South Africa. Prevention and Combating of Corrupt Activities Act, Act No. 12 of 2004.

4. TRENDS ANALYSIS ON COMPLETED DISCIPLINARY PROCEEDINGS ON FINANCIAL MISCONDUCT REPORTED FOR THE FINANCIAL YEARS 2013/2014 TO 2016/2017

4.1 Increase in completed disciplinary proceedings on financial misconduct for the 2016/2017 financial year

Figure 7 below shows the number of completed disciplinary proceedings on financial misconduct reported for the financial years 2013/2014 to 2016/2017. In the 2016/2017 financial year, the number of completed disciplinary proceedings on financial misconduct has increased by **512 (80.3%)** in comparison to the 2015/2016 financial year i.e. from **638** to **1150**. In the four financial years, the highest number of completed disciplinary proceedings on financial misconduct reported was in the 2016/2017 financial year at **1150** cases. The least number of cases was reported in the 2015/2016 financial year at **638** cases.

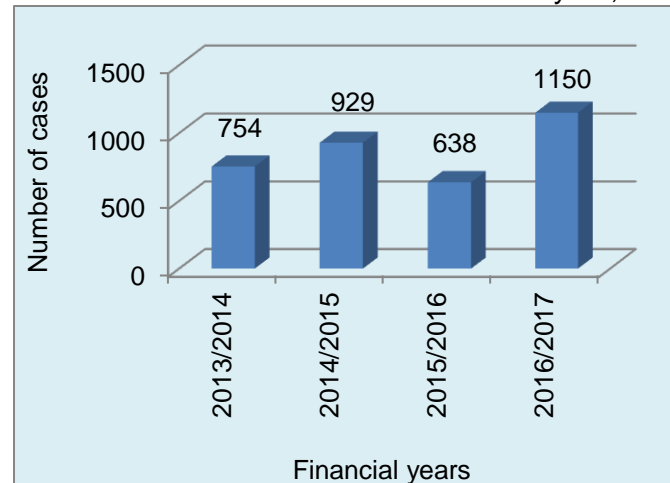


Figure 7: Number of completed disciplinary proceedings on financial misconduct reported for the financial years 2013/2014 to 2016/2017

4.2 Decrease in cases in the categories “fraud and theft”

Figure 8 below reflects the comparison of the percentage of completed disciplinary proceedings on financial misconduct reported in the category “*fraud and theft*” for the financial years 2013/2014 to 2016/2017. In the 2016/2017 financial year there has been a decrease of **17%** in the number of cases in the category “*fraud and theft*” as compared to the 2015/2016 financial year i.e. from **37%** to **20%**. In the four financial years, the percentage of completed disciplinary proceedings on financial misconduct in the category “*fraud and theft*” was the highest in the 2015/2016 financial year at **37%** and the lowest in the 2016/2017 financial year at **20%**.

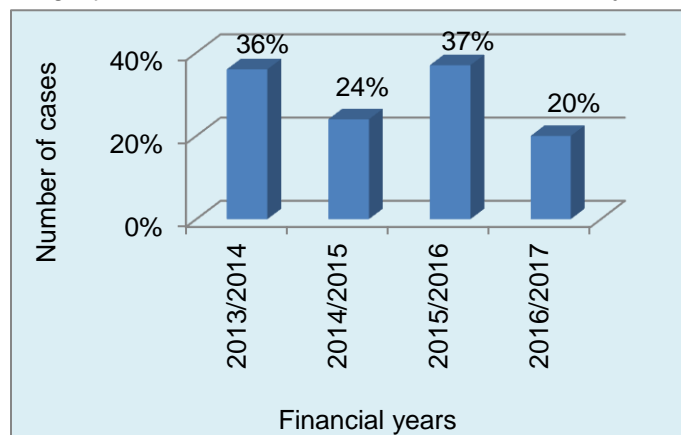


Figure 8: Completed disciplinary proceedings on financial misconduct in respect of Fraud and Theft reported for the financial years 2013/2014 to 2016/2017

4.3 Comparison of salary levels of employees charged with financial misconduct

Figure 9 below provides an overview of the levels of the employees charged with financial misconduct for the financial years 2013/2014 to 2016/2017.

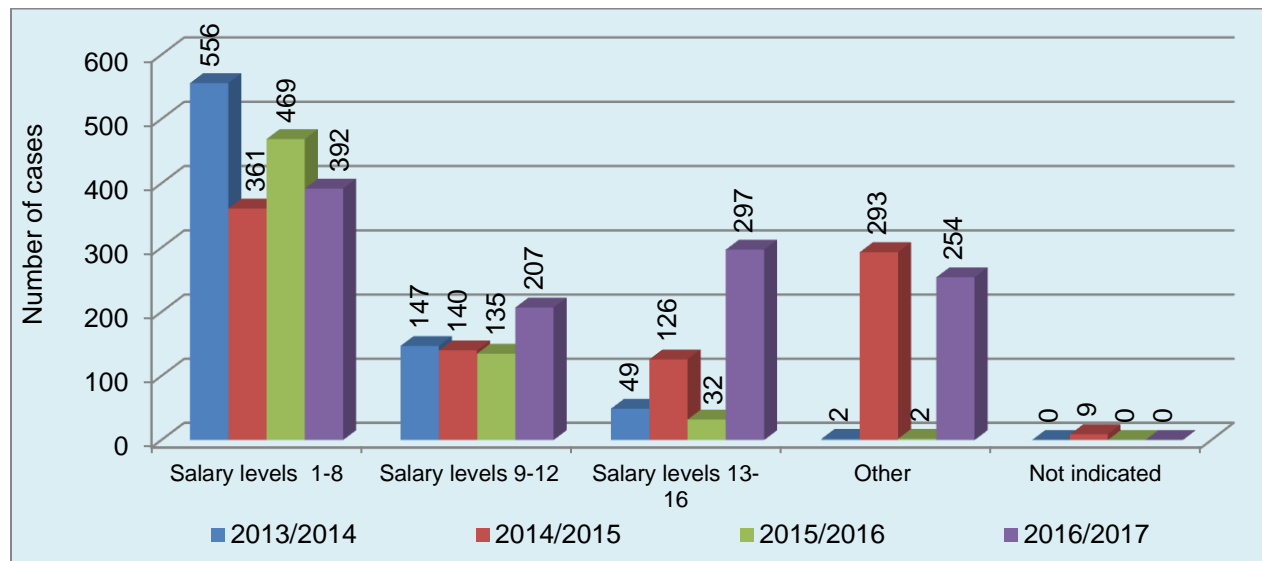


Figure 9: Salary levels of employees charged with financial misconduct for the financial years 2013/2014 to 2016/2017

Figure 9 above shows that there has been a decrease by **77** cases in respect of employees charged with financial misconduct at salary levels 1-8 i.e from **469** in the 2015/2016 financial year to **392** in the 2016/2017 financial year.

The number of employees at Middle Management Service (MMS) (salary levels 9-12) charged with financial misconduct has increased by **72** cases in the 2016/2017 financial year in comparison to the 2015/2016 financial year i.e from **135** (2015/2016) to **207** (2016/2017).

In comparison to the 2015/2016 financial year, there has been a drastic increase in the number of Senior Management Service (SMS) members (salary levels 13-16) charged with financial misconduct in the 2016/2017 financial year i.e **32** (2015/2016) to **297** (2016/2017). In the four financial years, the number of SMS members charged with financial misconduct was the highest in the 2016/2017 financial year at **297** cases and the least in the 2015/2016 financial year at **32** cases.

4.4 Decrease in the percentage of employees found guilty of financial misconduct

Figure 10 on the next page provides the percentage of employees found guilty of financial misconduct for the financial years 2013/2014 to 2016/2017. In the 2016/2017 financial year the percentage of employees found guilty of financial misconduct decreased by **26%** in comparison to the 2015/2016 financial year i.e from **85%** (2015/2016) to **59%** (2016/2017). In the four financial years, the percentage of employees found guilty of financial misconduct was the lowest in the 2016/2017 financial year at **59%**.

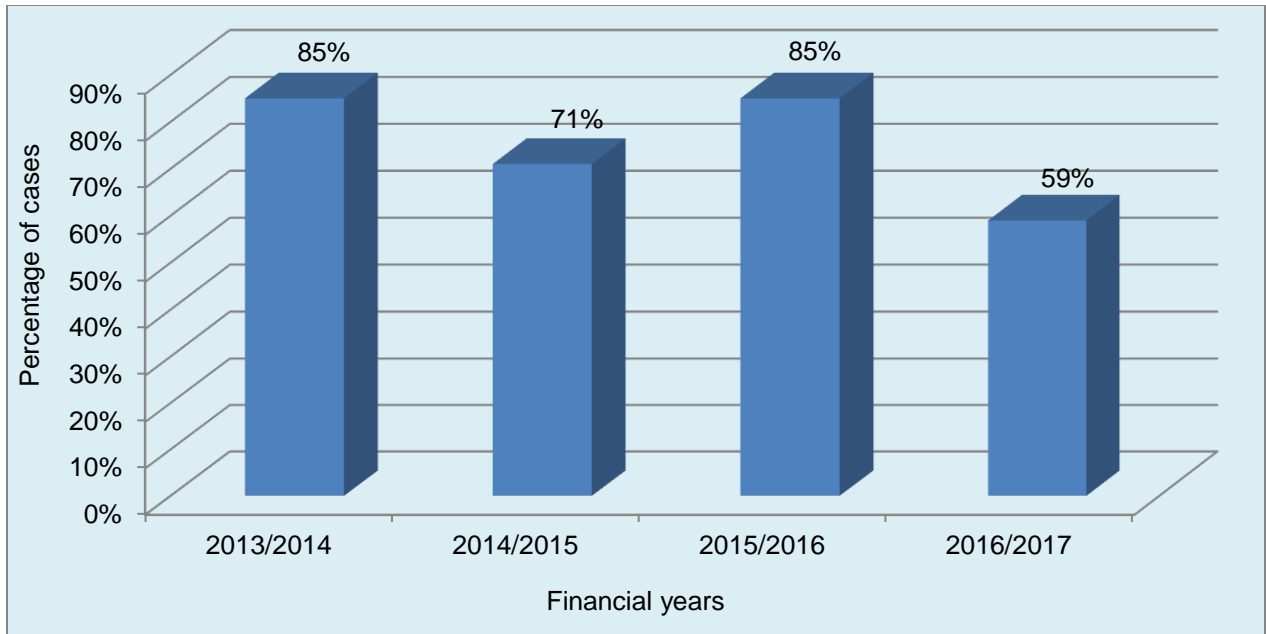


Figure 10: Percentage of employees that were found guilty of financial misconduct for the financial years 2013/2014 to 2016/2017

4.5 Comparison of the most common sanctions imposed by national and provincial departments

The Disciplinary Code and Procedures for the Public Service (salary levels 1-12) and the Disciplinary Code and Procedures for members of the SMS provide a framework within which departments must manage disciplinary matters. Although these procedures provide examples of sanctions that can be imposed, the chairperson of the disciplinary hearing considers the sanction to be imposed following consideration of the merits of the case and the mitigating and aggravating circumstances. Given that discipline is a management function and is dealt with by the respective departments, there might be inconsistencies in the sanctions imposed for misconduct of a similar nature. However, in order to ensure fairness and to avoid labour disputes departments should ensure that there is consistency in the sanction imposed for transgressions of a similar nature.

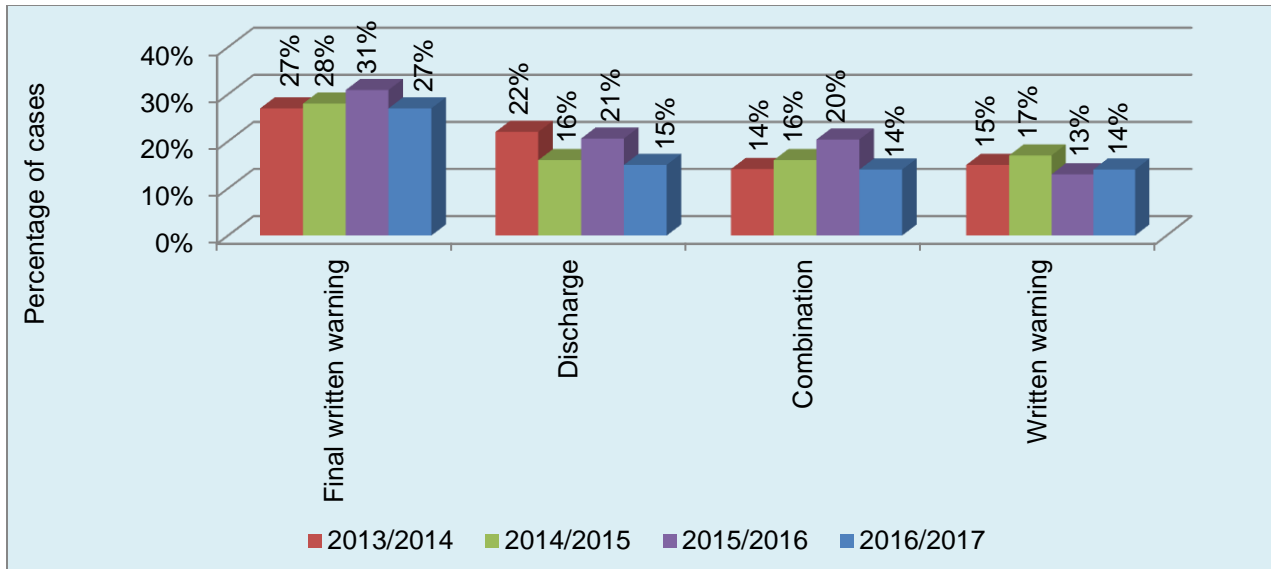


Figure 11: Comparison of the most common sanctions imposed in completed disciplinary proceedings on financial misconduct reported by national and provincial departments for the financial years 2013/2014 to 2016/2017

Figure 11 above shows that in the 2016/2017 financial year, the most common sanction imposed was “*Final written warning*”. In comparison to the 2015/2016 financial year a sanction of “*Final written warning*” decreased by **4%** in the 2016/2017 financial year i.e from **31%** to **27%**. In comparison to the four financial years, a sanction of “*Final written warning*” was most imposed in the 2015/2016 financial year at **31%** and least imposed in the 2013/2014 and 2016/2017 financial years at **27%** per financial year.

In the 2016/2017 financial year there was a decrease in the sanction “*Discharge*” by **6%** in comparison to 2015/2016 financial year i.e from **21%** to **15%**. In comparison to the four financial years, a sanction of “*Discharge*” was most imposed in the 2013/2014 financial year at **22%** and least imposed in 2016/2017 at **15%**.

In comparison to the 2015/2016 financial year, a “*Combination*” of sanctions has decreased by **6%** in the 2016/2017 financial year i.e from **20%** (2015/2016) to **14%** (2016/2017). In comparison to the four financial years, a “*Combination*” of sanctions was most imposed in the 2015/2016 financial year at **20%** and least imposed in the 2013/2014 and 2016/2017 financial years at **14%** per financial year.

In the 2016/2017 financial year a sanction of “*Written warning*” increased by **1%**, in comparison to the 2015/2016 financial year i.e from **13%** to **14%**. In comparison to the four financial years (2013/2014 to 2016/2017), a sanction of “*Written warning*” was most imposed in the 2014/2015 financial year at (**17%**) and least imposed in 2015/2016 at **13%**.

4.6 Increase in the amount of money involved in completed disciplinary proceedings on financial misconduct

Amounts reflected in this Factsheet are based on the information provided by departments and signed by the accounting officer. **Figure 12** below provides an overview of the amount of money involved in completed disciplinary proceedings on financial misconduct reported by national and provincial departments for the financial years 2013/2014 to 2016/2017.

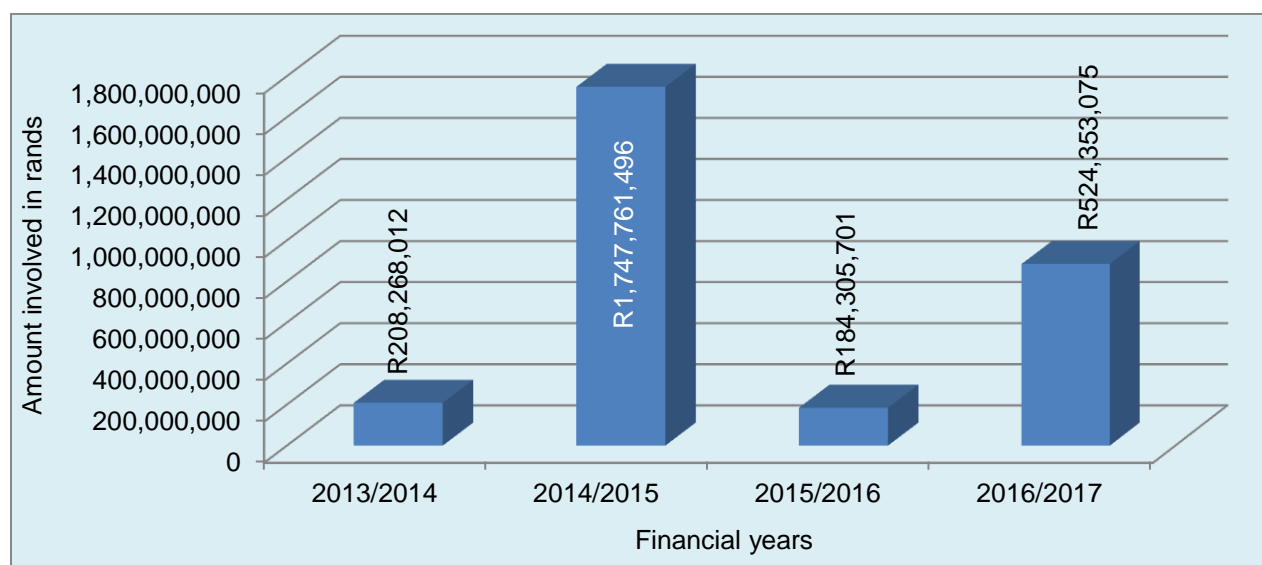


Figure 12: Total amount of money involved in completed disciplinary proceedings on financial misconduct reported by national and provincial departments for the financial years 2013/2014 to 2016/2017

In comparison to the 2015/2016 financial year, there has been a drastic increase by **R340 047 365.45 (185%)** in the amount of money involved in completed disciplinary proceedings on financial misconduct in the 2016/2017 financial year i.e from **R184 305 710.31** to **R524 353 075.76**. In comparison to the four financial years (2013/2014 to 2016/2017), the amount of money involved in completed disciplinary proceedings on financial misconduct reported by national and provincial departments was the highest in the 2014/2015 financial year at **R1 747 761 496.00** and least in the 2015/2016 financial year at **R184 305 701.31**.

4.7 Increase in criminal proceedings instituted in completed disciplinary proceedings on financial misconduct

In terms of subsection 34 (1) of the PCCA Act¹³, any person who holds a “position of authority” is compelled to report offences of theft, fraud, extortion, forgery or uttering of a forged document involving amounts of R100 000.00 or more to the SAPS. Not all acts of financial misconduct will result in criminal or civil action being taken against an employee. For example, cases of gross negligence may not necessarily involve criminal conduct.

¹³ Republic of South Africa. Prevention and Combatting of Corrupt Activities Act, Act No. 12 of 2004.

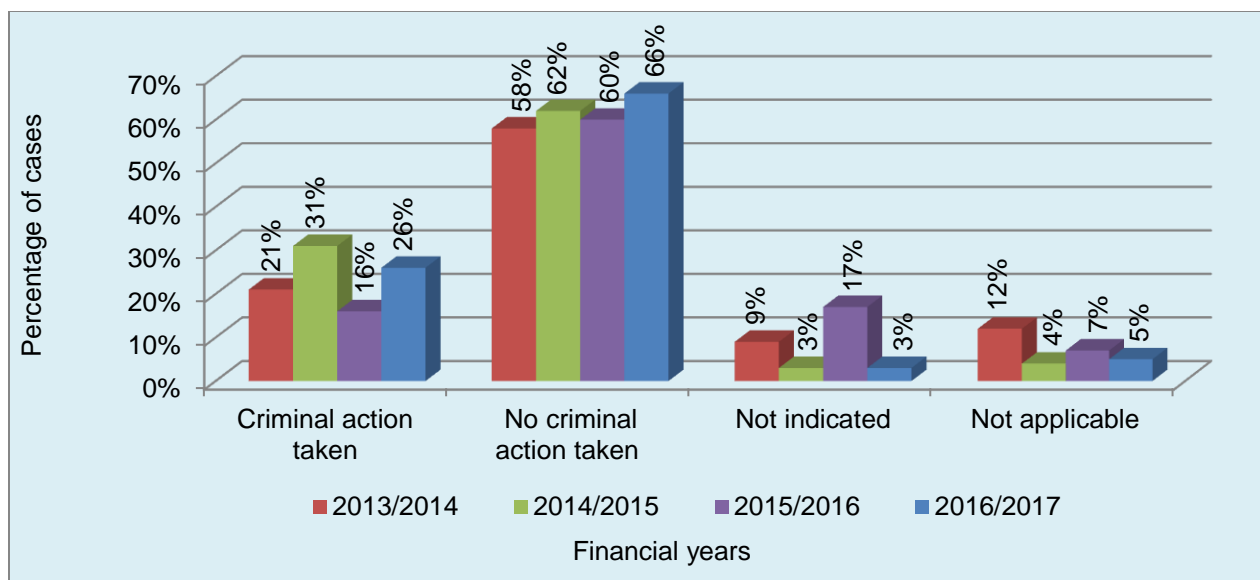


Figure 13: Criminal proceedings instituted against employees charged with financial misconduct by national and provincial departments for the financial years 2013/2014 to 2016/2017

Figure 13 above shows that for the 2016/2017 financial year, national and provincial departments instituted criminal proceedings in **296 (26%)** completed disciplinary proceedings on financial misconduct and no criminal proceedings were instituted in **763 (66%)** cases. In comparison to the 2015/2016 financial year, there has been an increase of **10%** in criminal proceedings instituted in the 2016/2017 financial year i.e. from **16%** to **26%**. In **36 (3%)** of the completed disciplinary proceedings on financial misconduct reported for the 2016/2017 financial year, departments failed to indicate whether criminal proceedings were instituted or not. Furthermore, in **55 (5%)** of the completed disciplinary proceedings on financial misconduct reported in the 2016/2017 financial year, departments indicated that criminal proceedings were not applicable. Of the four financial years, criminal proceedings were instituted the most in the 2014/2015 financial year at **31%** and the least in the 2015/2016 financial year at **16%**.

4.8 Recovery of money lost through financial misconduct

Section 38 (c) (i) of the PFMA¹⁴ read in conjunction with Treasury Regulations, Part 5, paragraph 12.5.1¹⁵, requires accounting officers to take effective steps to collect all money owed to the department.

Figure 14 on the next page provides the percentage of recovery of money lost to the State as a result of financial misconduct in national and provincial departments for the financial years 2013/2014 to 2016/2017 i.e. as at 31 March of each financial year. There has been a decrease of **41%** in the level of recovery/no loss to the State from **R165 366 906.21 (89.7%)** in the 2015/2016 financial year to **R255 191 568.12 (48.7%)** in the 2016/2017 financial year.

¹⁴ Republic of South Africa. The Public Finance Management Act No.1 of 1999.

¹⁵ Republic of South Africa. Treasury Regulations, 2002 published in Government Gazette No 23463 dated 25 May 2002.

In the four financial years i.e. 2013/2014 to 2016/2017, the highest percentage of recovery/no loss to the State was in the 2014/2015 financial year at **89.9%**. In the 2016/2017 financial year an amount of **R269 161 507.64** representing **51.3%** was not recovered.

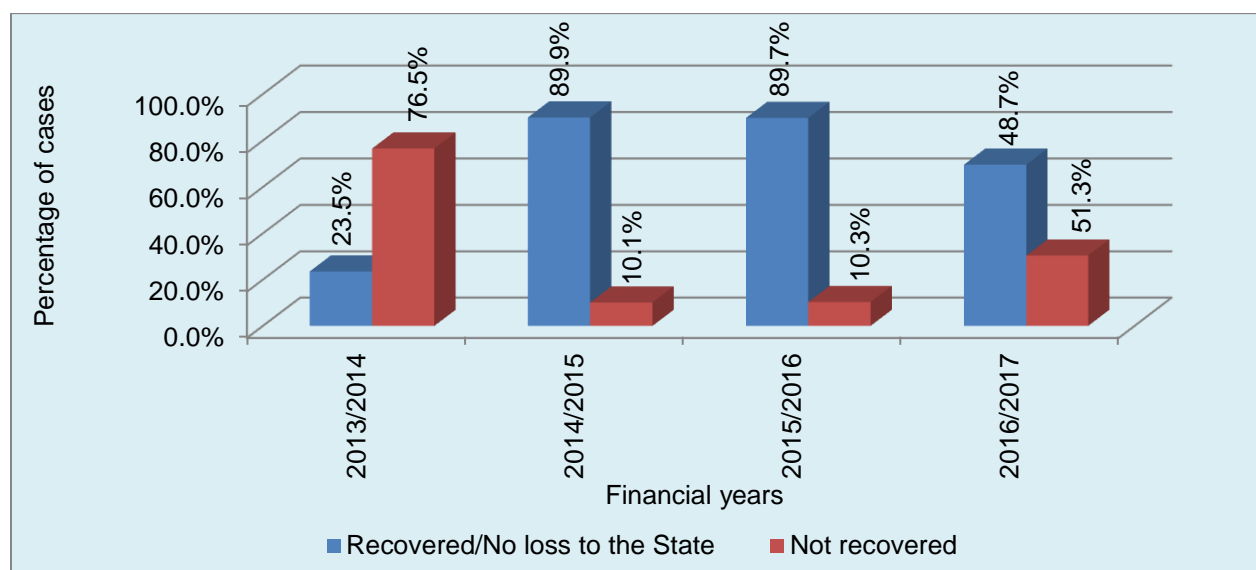


Figure 14: Money Recovered/No loss to the State and money not recovered as a result of financial misconduct for the financial years 2013/2014 to 2016/2017

In the 2015/2016 financial year both national and provincial departments reported that the total amount of money involved in completed disciplinary proceedings on financial misconduct was **R184 305 710.31**. An amount of **R1 192 446.06 (0.6%)** of the total amount involved in completed disciplinary proceedings on financial misconduct was recovered from the employees found guilty. An amount of **R164 174 460.15 (89.1%)** was considered as “no loss to the State” because the State did not suffer any loss. Furthermore, an amount of **R18 938 804.10** representing **10.3%** was not recovered at the time departments reported the outcome of the cases to the PSC. In this regard, national and provincial departments were requested to report on any further amount recovered as at 31 March 2017. Departments reported that as at 31 March 2017, a further amount of **R2 093 526.22** has been recovered and an amount of **R16 845 277.68** has not been recovered.

The non-recovery of monies timeously may result in the accounting officer of departments having to write off the amount whilst should the monies have been recovered it would have been used to improve on service delivery for example building more schools, houses etc.

5. DISCIPLINARY PROCEEDINGS ON FINANCIAL MISCONDUCT NOT COMPLETED AS AT 31 MARCH 2017

5.1 Total number of disciplinary proceedings on financial misconduct not completed by national departments and provinces as at 31 March 2017

The PSC requested departments to report disciplinary proceedings on financial misconduct which were not completed as at 31 March 2017, in order to determine whether disciplinary

proceedings relating to financial misconduct are being completed within the specified timeframe and to determine the challenges encountered by departments in finalising these cases.

Figure 15 provides a breakdown of the **574** disciplinary proceedings on financial misconduct reported as not completed by national and provincial departments as at 31 March 2017. Of the **574** disciplinary proceedings on financial misconduct reported as not completed, **304 (53%)** were reported by national departments and **270 (47%)** were reported by provincial departments.

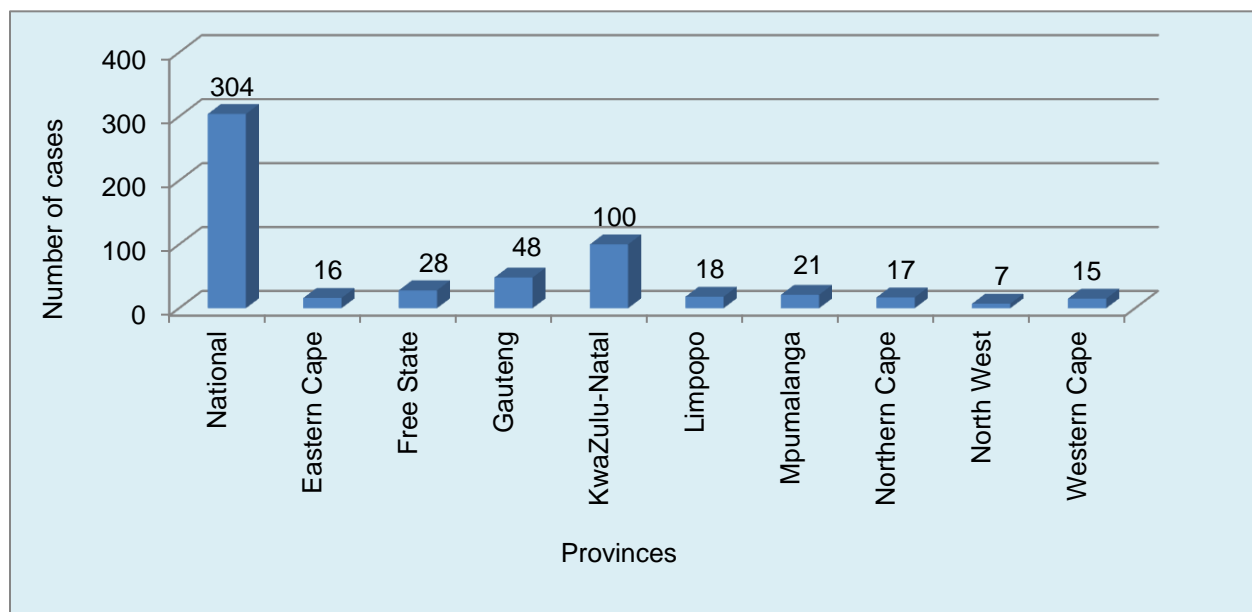


Figure 15: Breakdown of the number of disciplinary proceedings on financial misconduct not completed by national departments and provinces as at 31 March 2017

Figure 15 above shows that **574** disciplinary proceedings on financial misconduct reported by national and provincial departments were not completed as at 31 March 2017. National departments reported the highest number of cases not completed i.e **304 (53%)**. The KwaZulu-Natal Province reported the second highest number of disciplinary proceedings on financial misconduct that were not completed as at 31 March 2017, at **100** representing **17.4%** of the total reported by national and provincial departments. This was followed by Gauteng Province with **48 (8.4%)** and Free State Province with **28 (4.9%)**. The North West Province reported the lowest number of disciplinary proceedings on financial misconduct that were not completed at **7 (1.2%)** of the total reported by national and provincial departments.

Appendix E provides a breakdown of the number of cases reported by national and provincial departments that were not completed as at 31 March 2017. The highest number of disciplinary proceedings on financial misconduct not completed as at 31 March 2017 by national and provincial departments was reported by the Department of Defence at **175 (30.5%)**. This was followed by the Department of Health KZN at **57 (9.9%)** cases and the Department of Police at **35 (6.1%)** cases. **Appendix F** provides a list of the national and provincial departments that submitted a “*nil return*” indicating that they do not have cases that were not completed.

5.2 Types of financial misconduct cases not completed by national and provincial departments as at 31 March 2017

The PSC categorised the types of financial misconduct cases reported by departments for statistical purposes. **Table 2** titled “*Description of the types of financial misconduct cases*”, reflects the categories of financial misconduct and the description of cases reported by departments that fall into these categories.

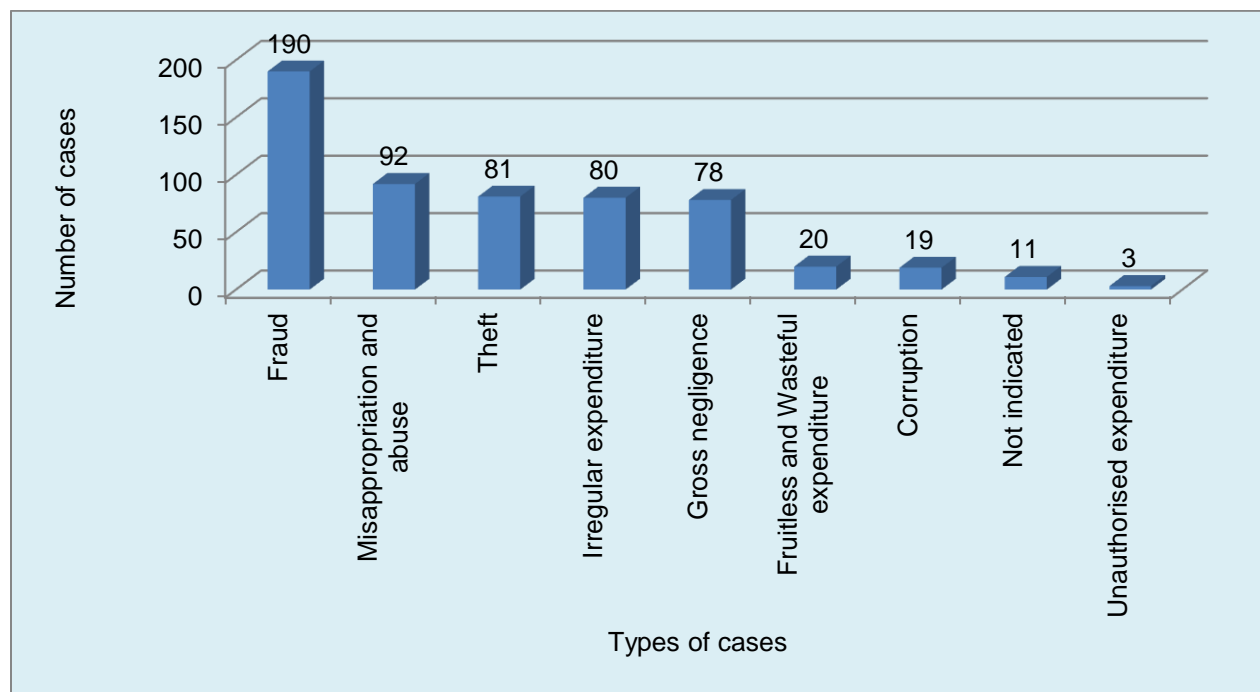


Figure 16: Types of financial misconduct cases not completed by national and provincial departments as at 31 March 2017

Figure 16 above provides the types of financial misconduct cases reported by national and provincial departments that were not completed as at 31 March 2017. Of the **574** disciplinary proceedings on financial misconduct reported as not completed as at 31 March 2017, “*Fraud*” is the type of financial misconduct with the highest number of cases at **190 (33.1%)**. This was followed by “*Misappropriation and abuse*” at **92 (16%)** cases and “*Theft*” at **81 (14.1%)** cases. The category with the least number of cases reported as not completed as at 31 March 2017 was “*Unauthorised expenditure*” at **3 (0.5%)** cases. In **11 (1.9%)** cases departments did not indicate the category of the misconduct.

5.3 Reasons provided by national and provincial departments for non-completion of disciplinary proceedings on financial misconduct

The Disciplinary Code and Procedures for the Public Service (salary levels 1-12) and the Disciplinary Code and Procedures for the members of the SMS stipulate, amongst others, the following:

- The employee/member must be given notice at least five (5) working days before the date of the hearing.

- The disciplinary hearing must be held within ten (10) working days after the notice is delivered to the employee/member.
- The Chairperson of the disciplinary hearing must communicate the final outcome of the hearing to the employee/member within five working days after the conclusion of the disciplinary enquiry, and the outcome must be recorded on the employees/members personal file.
- The employer shall not implement the sanction during an appeal by the employee (salary levels 1-12).
- Nothing in the Code and Procedures detracts a member's right to utilise the dispute settlement mechanisms that are provided under the Labour Relations Act,1995 (members of the SMS).

The PSC requested national and provincial departments to provide reasons in respect of those disciplinary proceedings on financial misconduct that were not completed by 31 March 2017. Some of the key reasons provided by national and provincial departments for the non-completion of the **574** disciplinary proceedings on financial misconduct were:

- | | |
|---|-------------------------------------|
| • Disciplinary proceedings pending | • Investigation in progress/pending |
| • Pending appointment of Military judges | • Appeal in progress |
| • Pending finalisation of pre-dismissal hearing | • Private investigation in process |
| • Awaiting confirmation of sanction | • Charges being drafted |
| • Case pending trial | • Pending Chairperson's report |
| • Awaiting appointment of Presiding Officer | |

Although the Disciplinary Code and Procedures for the Public Service (salary levels 1-12) and the Disciplinary Code and Procedures for the members of the SMS stipulates the procedure and timeframes within which certain actions must be taken, it does not stipulate the timeframe within which the entire disciplinary procedure should be completed. Departments should take cognisance that disciplinary cases relating to financial misconduct are of a sensitive nature and may impact negatively on the finances of the Department, thus departments should strive to complete the disciplinary proceeding within the shortest possible timeframe.

6. ADVICE

Section 196(4) (f)(iv) of the *Constitution, 1996*, makes provision for the PSC to advise national and provincial organs of State regarding personnel practices in the public service. In line with this, the PSC proffers the following advice with regards to financial misconduct:

- It is concerning to note that at the time of reporting on completed disciplinary proceedings on financial misconduct for the 2016/2017 financial year, national and provincial departments indicated that **51.3%** of the amount involved was not recovered. Consequently, the PSC is of the view that the Accounting Officers responsible should be held accountable for the non-compliance.

7. CONCLUSION

The importance of monitoring the management of financial misconduct gives effect to the PSC's mandate as contained in paragraph 196 (4)(f)(iii), which requires the PSC to monitor compliance of applicable procedures in the Public Service.

The PSC trusts that the overview and trends on disciplinary proceedings on financial misconduct contained in this Factsheet will create awareness to stakeholders of the extent of financial misconduct in the Public Service.

The trends contained in this Factsheet shows that in the 2016/2017 financial year, there has been an increase in the number of completed disciplinary proceedings on financial misconduct reported by national departments as compared to the previous three financial years (2013/2014, 2014/2015 and 2015/2016). Furthermore, the amount of money involved in financial misconduct for the 2016/2017 financial year has escalated by **R340 047 365.45 (185%)** in comparison to the 2015/2016 financial year i.e. from **(R184 305 710.31 [2015/2016]** to **R524 353 075.76 [2016/2017])**.

Appendix A: List of the 22 national and 51 provincial departments that submitted a “nil return” on completed disciplinary proceedings on financial misconduct for the 2016/2017 financial year

NATIONAL/PROVINCE	DEPARTMENT
National	Civilian Secretariat of Police
	Communications
	Economic Development
	Energy
	Government Communication and Information System
	Health
	Human Settlements
	International Relations and Cooperation
	Justice and Constitutional Development
	Military Veterans
	National Prosecuting Authority
	National School of Government
	National Treasury
	Office of the Public Service Commission
	Planning, Monitoring and Evaluation
	Public Service and Administration
	Science and Technology
	Sport and Recreation South Africa
	Telecommunications and Postal Services
	The Presidency
Traditional Affairs	
Women	
Eastern Cape	Economic Development, Environmental Affairs and Tourism
	Education
	Human Settlements
	Provincial Treasury
	Safety and Liaison
	Sport, Recreation, Arts and Culture
Free State	Economic, Small Business Development, Tourism and Environmental Affairs
	Office of the Premier
	Provincial Treasury
	Public Works
	Social Development
Gauteng	Community Safety
	Co-operative Governance and Traditional Affairs
	Economic Development
	e-Government

NATIONAL/PROVINCE	DEPARTMENT
	Infrastructure Development
	Office of the Premier
	Provincial Treasury
	Social Development
	Sports, Arts, Culture
KwaZulu-Natal	Community Safety and Liaison
	Economic Development, Tourism and Environmental Affairs
	Office of the Premier
	Social Development
	Sport and Recreation
	Treasury
Limpopo	Agriculture and Rural Development
	Health
	Provincial Treasury
	Community Safety
	Sport, Arts and Culture
Mpumalanga	Agriculture, Rural Development, Land Reform
	Culture, Sport & Recreation
	Economic Development and Tourism
	Office of the Premier
	Provincial Treasury
	Public Works, Roads & Transport
North West	Community Safety and Transport Management
	Economy and Enterprise Development
	Finance
	Local Government and Human Settlements
	Office of the Premier
	Public Works and Roads
	Tourism
Northern Cape	Economic Development and Tourism
	Environment and Nature Conservation
	Office of the Premier
Western Cape	Economic Development & Tourism
	Environmental Affairs & Development Planning
	Local Government
	Provincial Treasury

Appendix B: Breakdown of completed disciplinary proceedings on financial misconduct reported by national provincial departments for the 2016/2017 financial year

NATIONAL/PROVINCE	DEPARTMENT	NUMBER OF CASES
National	Agriculture, Forestry and Fisheries	1
	Arts and Culture	9
	Basic Education	6
	Cooperative Governance	1
	Correctional Services	14
	Defence	18
	Environmental Affairs	6
	Higher Education and Training	7
	Home Affairs	1
	Independent Police Investigative Directorate (IPID)	2
	Labour	14
	Mineral Resources	1
	Office of the Chief Justice	1
	Police	294
	Public Enterprises	1
	Public Works	38
	Rural Development and Land Reform	1
	Small Business Development	3
	Social Development	328
	Statistics South Africa	4
Tourism	2	
Trade and Industry	1	
Transport	2	
Water and Sanitation	3	
National Total		758
Eastern Cape	Co-operative Governance and Traditional Affairs	1
	Health	2
	Office of the Premier	2
	Roads and Public Works	6
	Rural Development and Agrarian Reform	9
	Social Development	2
	Transport	5
Eastern Cape Total		27
Free State	Agriculture & Rural Development	1
	Co-operative Governance and Traditional Affairs	1
	Education	9
	Health	2
	Human Settlements	1
	Police, Roads & Transport	19
	Sports, Arts, Culture & Recreation	3
Free State Total		36
Gauteng	Agriculture	1
	Education	22
	Health	59

NATIONAL/PROVINCE	DEPARTMENT	NUMBER OF CASES
	Human Settlements	4
	Roads and Transport	1
Gauteng Total		87
KwaZulu-Natal	Agriculture, Environmental Affairs and Rural Development	3
	Arts and Culture	6
	Co-operative Governance and Traditional Affairs	1
	Education	6
	Health	41
	Human Settlements	1
	Public Works	6
	Transport	2
KwaZulu-Natal Total		66
Limpopo	Co-operative Governance, Human Settlements and Traditional Affairs	2
	Economic Development, Environment and Tourism	18
	Education	10
	Office of the Premier	1
	Public Works, Roads and Infrastructure	2
	Social Development	4
	Transport	8
Limpopo Total		45
Mpumalanga	Community Safety, Security and Liaison	3
	Co-operative Governance and Traditional Affairs	1
	Education	15
	Health	8
	Human Settlements	8
	Social Development	1
Mpumalanga Total		36
North West	Culture, Arts and Traditional Affairs	1
	Education and Sport Development	7
	Social Development	1
	Rural, Environment and Agriculture Development	1
North West Total		10
Northern Cape	Agriculture, Land Reform and Rural Development	3
	Cooperative Governance, Traditional Affairs and Human Settlements	2
	Education	2
	Health	7
	Provincial Treasury	1
	Roads and Public Works	1
	Social Development	2
	Sports, Arts and Culture	2
	Transport, Safety and liaison	1
Northern Cape Total		21
Western Cape	Agriculture	4
	Cultural Affairs and Sport	2
	Education	11
	Health	36

NATIONAL/PROVINCE	DEPARTMENT	NUMBER OF CASES
	Human Settlements	2
	Office of the Premier	1
	Social Development	5
	Transport and Public Works	3
Western Cape Total		64
Total Provinces		392
GRAND TOTAL NATIONAL AND PROVINCES		1150

Appendix C: List of national and provincial departments that reported the least number of completed disciplinary proceedings on financial misconduct for the 2016/2017 financial year

NATIONAL/PROVINCE	DEPARTMENT
National	Agriculture, Forestry and Fisheries
	Cooperative Governance
	Home Affairs
	Mineral Resources
	Office of the Chief Justice
	Public Enterprises
	Rural Development and Land Reform
	Trade and Industry
Eastern Cape	Co-operative Governance and Traditional Affairs
Free State	Agriculture & Rural Development
	Co-operative Governance and Traditional Affairs
	Human Settlements
Gauteng	Agriculture
	Roads and Transport
KwaZulu-Natal	Co-operative Governance and Traditional Affairs
	Human Settlements
Limpopo	Office of the Premier
Mpumalanga	Co-operative Governance and Traditional Affairs
	Social Development
North West	Culture, Arts and Traditional Affairs
	Social Development
	Rural, Environment and Agriculture Development
Northern Cape	Provincial Treasury
	Roads and Public Works
	Transport, Safety and liaison
Western Cape	Office of the Premier

Appendix D: Breakdown of the amount of money involved in respect of completed disciplinary proceedings on financial misconduct reported by national and provincial departments for the 2016/2017 financial year

NATIONAL/ PROVINCE	DEPARTMENTS	AMOUNT INVOLVED	AMOUNT RECOVERED	AMOUNT CONSIDERED AS RECOVERED DUE TO "NO LOSS TO STATE"	AMOUNT NOT RECOVERED
National	Agriculture, Forestry and Fisheries	R58 000.00	R58 000.00	R0.00	R0.00
	Arts and Culture	R30 990 627.14	R0.00	R30 990 627.14	R0.00
	Basic Education	R89 280 000.00	R281 838.53	R87 730 101.00	R1 268 060.47
	Cooperative Governance	R234 704.00	R0.00	R234 704.00	R0.00
	Correctional Services	R199 018.82	R35 155.26	R0.00	R163 863.56
	Defence	R165 935.80	R4 611.33	R69 841.04	R91 483.43
	Environmental Affairs	R538 508.66	R2 000.00	R485 353.24	R51 155.42
	Higher Education and Training	R106 350.00	R72 350.00	R2 000.00	R32 000.00
	Home Affairs	R141 265.00	R0.00	R0.00	R141 265.00
	IPID	R2 300 000.00	R0.00	R500 000.00	R1 800 000.00
	Labour	R111 081.42	R49 446.12	R0.00	R61 635.30
	Mineral Resources	R13.44	R13.44	R0.00	R0.00
	Office of the Chief Justice	R2 468.00	R0.00	R0.00	R2 468.00
	Police	R209 507.05	R38 694.04	R0.00	R170 813.01
	Public Enterprises	R0.00	R0.00	R0.00	R0.00
	Public Works	R101 583 063.56	R59 151.56	R99 633 506.11	R1 890 405.89
	Rural Development and Land Reform	R0.00	R0.00	R0.00	R0.00
	Small Business Development	R426 022.14	R0.00	R426 022.14	R0.00
	Social Development	R19 616 248.44	R0.00	R19 606 565.48	R9 682.96
	Statistics South Africa	R0.00	R0.00	R0.00	R0.00
Tourism	R31 082.21	R31 082.21	R0.00	R0.00	

NATIONAL/ PROVINCE	DEPARTMENTS	AMOUNT INVOLVED	AMOUNT RECOVERED	AMOUNT CONSIDERED AS RECOVERED DUE TO "NO LOSS TO STATE"	AMOUNT NOT RECOVERED
	Trade and Industry	R4 324.00	R0.00	R0.00	R4 324.00
	Transport	R0.00	R0.00	R0.00	R0.00
	Water and Sanitation	R27 000.00	R0.00	R0.00	R27 000.00
National Total		R246 025 219.68	R632 342.49	R239 678 720.15	R5 714 157.04
Eastern Cape	Co-operative Governance and Traditional Affairs	R115 155.37	R115 155.37	R0.00	R0.00
	Health	R442 688.00	R7 200.00	R123 399.00	R312 089.00
	Office of the Premier	R24 739.00	R2 924.04	R0.00	R21 814.96
	Roads and Public Works	R9 367.40	R0.00	R731.25	R8 636.15
	Rural Development and Agrarian Reform	R131 540.92	R33 825.00	R0.00	R97 715.92
	Social Development	R220 994.85	R0.00	R178 896.70	R42 098.15
	Transport	R0.00	R0.00	R0.00	R0.00
Eastern Cape Total		R944 485.54	R159 104.41	R303 026.95	R482 354.18
Free State	Agriculture & Rural Development	R505 198.42	R0.00	R505 198.42	R0.00
	Co-operative Governance and Traditional Affairs	R0.00	R0.00	R0.00	R0.00
	Education	R0.00	R0.00	R0.00	R0.00
	Health	R4 215.00	R0.00	R4 215.00	R0.00
	Human Settlements	R14 738.51	R0.00	R0.00	R14 738.51
	Police, Roads and Transport	R603 456.00	R144 852.71	R0.00	R458 603.29
	Sport, Arts, Culture and Recreation	R292 900.00	R0.00	R4 900.00	R288 000.00
Free State Total		R1 420 507.93	R144 852.71	R514 313.42	R761 341.80
Gauteng	Agriculture	R248 146.74	R248 146.74	R0.00	R0.00
	Education	R9 159 857.06	R0.00	R0.00	R9 159 857.06
	Health	R362 908.03	R34 282.06	R68 137.57	R260 488.40
	Human Settlements	R171 541 909.88	R0.00	R0.00	R171 541 909.88

NATIONAL/ PROVINCE	DEPARTMENTS	AMOUNT INVOLVED	AMOUNT RECOVERED	AMOUNT CONSIDERED AS RECOVERED DUE TO "NO LOSS TO STATE"	AMOUNT NOT RECOVERED
	Roads and Transport	R17 000 000.00	R0.00	R0.00	R17 000 000.00
Gauteng Total		R198 312 821.71	R282 428.80	R68 137.57	R197 962 255.34
KwaZulu-Natal	Agriculture, Environmental Affairs and Rural Development	R40 542 687.00	R0.00	R0.00	R40 542 687.00
	Arts and Culture	R6 666.23	R0.00	R0.00	R6 666.23
	Co-operative Governance and Traditional Affairs	R1 064.23	R0.00	R0.00	R1 064.23
	Education	R10 692 594.96	R0.00	R441 524.65	R10 251 070.31
	Health	R644 115.33	R265 273.51	R40 028.36	R338 813.46
	Human Settlement	R1 382 296.70	R0.00	R0.00	R1 382 296.70
	Public Works	R1 620 000.00	R0.00	R0.00	R1 620 000.00
KwaZulu-Natal Total		R54 889 424.45	R265 273.51	R481 553.01	R54 142 597.93
Limpopo	Co-operative Governance, Human Settlements and Traditional Affairs	R39 708.85	R0.00	R14 308.05	R25 400.80
	Education	R1 727 921.98	R12 248.20	R1 029 226.28	R686 447.50
	Economic Development, Environment and Tourism	R124 149.14	R17 689.32	R32 763.68	R73 696.14
	Office of the Premier	R18 664.00	R0.00	R0.00	R18 664.00
	Public Works, Roads and Infrastructure	R15 314.37	R4 407.70	R0.00	R10 906.67
	Social Development	R95 070.00	R0.00	R93 070.00	R2 000.00
	Transport	R568 860.00	R282 440.00	R10 500.00	R275 920.00
Limpopo Total		R2 589 688.34	R316 785.22	R1 179 868.01	R1 093 035.11
Mpumalanga	Co-operative Governance and Traditional Affairs	R31 089.70	R3 000.00	R0.00	R28 089.70
	Community Safety, Security and Liaison	R150 949.24	R1 868.00	R0.00	R149 081.24
	Education	R545 269.34	R46 269.34	R0.00	R499 000.00

NATIONAL/ PROVINCE	DEPARTMENTS	AMOUNT INVOLVED	AMOUNT RECOVERED	AMOUNT CONSIDERED AS RECOVERED DUE TO "NO LOSS TO STATE"	AMOUNT NOT RECOVERED
	Health	R587 904.40	R30 304.17	R406 079.40	R151 520.83
	Human Settlements	R15 347 460.00	R8 223 261.00	R39 140.00	R7 085 059.00
	Social Development	R2 900.00	R0.00	R0.00	R2 900.00
Mpumalanga Total		R16 665 572.68	R8 304 702.51	R445 219.40	R7 915 650.77
North West	Arts, Culture and Traditional Affairs	R21 015.00	R21 015.00	R0.00	R0.00
	Education and Sports Development	R1 273 047.93	R1 000 400.00	R0.00	R272 647.93
	Rural, Environment and Agricultural Development	R11 271.00	R870.00	R0.00	R10 401.00
	Social Development	R40 450.00	R0.00	R0.00	R40 450.00
North West Total		R1 345 783.93	R1 022 285.00	R0.00	R323 498.93
Northern Cape	Agriculture, Land Reform and Rural Development	R1 087 000.00	R0.00	R1 087 000.00	R0.00
	Cooperative Governance, Human Settlements and Traditional Affairs	R5 673.10	R1 482.00	R0.00	R4 191.10
	Education	R195 237.00	R46 000.00	R0.00	R149 237.00
	Health	R0.00	R0.00	R0.00	R0.00
	Provincial Treasury	R4 685.40	R4 685.40	R0.00	R0.00
	Roads and Public Works	R10 000.00	R0.00	R0.00	R10 000.00
	Social Development	R88 000.00	R1 600.00	R81 000.00	R5 400.00
	Sport, Arts and Culture	R14 734.00	R3 245.56	R0.00	R11 488.44

NATIONAL/ PROVINCE	DEPARTMENTS	AMOUNT INVOLVED	AMOUNT RECOVERED	AMOUNT CONSIDERED AS RECOVERED DUE TO "NO LOSS TO STATE"	AMOUNT NOT RECOVERED
	Transport, Safety and Liaison	R1 772.00	R1 772.00	R0.00	R0.00
Northern Cape Total		R1 407 101.50	R58 784.96	R1 168 000.00	R180 316.54
Western Cape	Agriculture	R200.00	R0.00	R200.00	R0.00
	Cultural Affairs and Sport	R1 265.00	R0.00	R0.00	R1 265.00
	Education	R102 032.00	R0.00	R0.00	R102 032.00
	Health	R28 397.00	R8 360.00	R200.00	R19 837.00
	Transport and Public Works	R620 576.00	R157 410.00	R0.00	R463 166.00
Western Cape Total		R752 470.00	R165 770.00	R400.00	R586 300.00
PROVINCES TOTAL		R278 327 856.08	R10 719 987.12	R4 160 518.36	R263 447 350.60
NATIONAL AND PROVINCES TOTAL		R524 353 075.76	R11 352 329.61	R243 839 238.51	R269 161 507.64

Appendix E: Breakdown of disciplinary proceedings on financial misconduct not completed by national and provincial departments as at 31 March 2017

NATIONAL/PROVINCE	DEPARTMENT	NUMBER OF CASES
National	Defence	175
	Police	35
	Public Works	33
	Labour	29
	Water and Sanitation	7
	Energy	5
	Office of the Chief Justice	5
	Arts and Culture	2
	Correctional Services	2
	Environmental Affairs	2
	Higher Education and Training	2
	Home Affairs	2
	Health	1
	International Relations and Cooperation	1
	Office of the Public Service Commission	1
	Trade and Industry	1
Transport	1	
National Total		304
Eastern Cape	Co-operative Governance and Traditional Affairs	1
	Economic Development, Environmental Affairs and Tourism	3
	Roads and Public Works	7
	Safety & Liaison	1
	Social Development	2
	Transport	2
Eastern Cape Total		16
Free State	Agriculture and Rural Development	1
	Economic, Small Business Development, Tourism and Environmental Affairs	3
	Education	6
	Health	2
	Police, Roads & Transport	14
	Public Works	2
Free State Total		28
Gauteng	Agriculture and Rural Development	2
	Community Safety	3
	Education	7
	Health	19
	Human Settlements	2
	Infrastructure Development	11
	Roads and Transport	4
Gauteng Total		48

NATIONAL/PROVINCE	DEPARTMENT	NUMBER OF CASES
KwaZulu-Natal	Agriculture, Environmental Affairs and Rural Development	9
	Arts and Culture	9
	Co-operative Governance and Traditional Affairs	3
	Education	17
	Health	57
	Public Works	1
	Social Development	1
	Transport	3
KwaZulu-Natal Total		100
Limpopo	COGHSTA	1
	LEDET	2
	Education	6
	Public Works, Roads and Infrastructure	3
	Social Development	5
	Transport	1
Limpopo Total		18
Mpumalanga	Education	11
	Health	8
	Human Settlements	2
Mpumalanga Total		21
North West	Social Development	1
	Education and Sports Development	5
	Culture, Arts and Traditional Affairs	1
North West Total		7
Northern Cape	Agriculture, Land Reform and Rural Development	1
	Education	1
	Health	15
Northern Cape Total		17
Western Cape	Health	3
	Social Development	3
	Transport and Public Works	9
Western Cape Total		15
Provincial Total		270
GRAND TOTAL NATIONAL AND PROVINCIAL		574

Appendix F: List of national and provincial departments that submitted a “nil return” in respect of disciplinary proceedings on financial misconduct not completed as at 31 March 2017

NATIONAL/PROVINCE	DEPARTMENTS	
NATIONAL	Agriculture, Forestry and Fisheries	
	Basic Education	
	Civilian Secretariat for Police	
	Communications	
	Cooperative Governance	
	Economic Development	
	Government Communication and Information Systems	
	Human Settlements	
	Independent Police Investigative Directorate	
	Justice and Constitutional Development	
	Military Veterans	
	Mineral Resources	
	National School of Government	
	National Treasury	
	National Prosecuting Authority	
	Planning Monitoring and Evaluation	
	Public Enterprises	
	Public Service and Administration	
	Rural Development and Land Reform	
	Science and Technology	
	Small Business Development	
	Social Development	
	Sport and Recreation South Africa	
	Statistics South Africa	
	Telecommunications and Postal Services	
	The Presidency	
	Tourism	
	Traditional Affairs	
	EASTERN CAPE	Education
		Health
Human Settlements		
Office of the Premier		
Provincial Treasury		
Sport and Recreation		
Rural Development and Agrarian Reform		
FREE STATE	Cooperative Governance and Traditional Affairs	
	Human Settlements	
	Office of the Premier	
	Sport, Arts, Culture and Recreation	
	Povincial Treasury	
	Social Development	
GAUTENG	Cooperative Governance and Traditional Affairs	
	Economic Development	
	e- Governance	
	Office of the Premier	

NATIONAL/PROVINCE	DEPARTMENTS
	Sport, Arts and Culture
	Provincial Treasury
	Social Development
KWAZULU-NATAL	Community Safety and Liaison
	Economic Development, Tourism and Environmental Affairs
	Human Settlement
	Office of the Premier
	Sport and Recreation
	Provincial Treasury
LIMPOPO	Agriculture and Rural Development
	Health
	Community Safety
	Office of the Premier
	Provincial Treasury
	Sport, Arts and Culture
MPUMALANGA	Agriculture, Rural Development and Land Reform
	Co-operative Governance and Traditional Affairs
	Community Safety, Security and Liaison
	Culture, Sport and Recreation
	Office of the Premier
	Provincial Treasury
	Public Works, Roads & Transport
	Social Development
NORTHERN CAPE	Cooperative Governance, Traditional Affairs and Human Settlements
	Economic Development
	Environment and Nature Conservation
	Office of the Premier
	Provincial Treasury
	Roads and Public Works
	Social Development
	Sport, Arts and Culture
	Transport, Safety and Liaison
NORTH WEST	Local Government and Human Settlement
	Community Safety and Transport Management
	Economy and Enterprise Development
	Finance
	Health (failed to submit report)
	Public Works and Roads
	Rural, Environment and Agricultural Development
	Tourism
WESTERN CAPE	Agriculture
	Cultural Affairs and Sport
	Economic Development
	Education
	Environmental Affairs and Development Planning
	Human Settlements
	Local Government
	Office of the Premier
	Provincial Treasury