



KWAZULU-NATAL
PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA



Inspiring New Hope

ETHICS IN ACTION: LEADING WITH INTEGRITY IN THE PUBLIC SECTOR

26 MAY 2026

Contents

Promoting ethical culture.

Dealing with unethical conduct.

What is the effect of good ethical culture in an organisation?



Code for Ethical Leadership in Local Government

An ethical municipal leader sets the tone for ethical culture.

An ethical municipal leader respects the boundary between the political and administrative spheres of the municipality.

An ethical municipal leader ensures the appointment of staff who have competence and integrity.

An ethical municipal leader follows a community-centred approach to governance.

An ethical municipal leader deals fairly and decisively with ethics transgressions and poor performance.



What happened when I am conflicted?

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Scenario 1

The Chairperson of the Bid Evaluation Committee has been offered a laptop for R45000 by XYZ Technologies. XYZ Technologies is a service provider in the municipal database.

What should the Chairperson of the BEC do?

Managing conflict of interests – Municipal Systems Act, Act 32 of 2000 – Schedule 2 Code of Conduct for Municipal Employees

Gifts

8(1)(d) A staff member of the municipality may not request, solicit or accept any reward, gift or favour for doing or not doing anything within that staff member's power or duties.

Scenario 2

An official in the Local Municipality owns a security company. He has received an advert from his friend for a tender to provide security services for the Local Municipality. His friend has requested that they form a partnership and bid for the advertised tender.

What should the official do?

Managing conflict of interests – Municipal Systems Act, Act 32 of 2000 – Schedule 2 Code of Conduct for Municipal Employees

- 4(2)(c) Except with the prior consent of the council of a municipality, a staff member may not be engaged in any business, trade or profession other than the work of the municipality.

Prevention and Combating of Corrupt Activities Act 12 of 2004

Section 17(1) states that—

Any public officer who acquires or holds a private interest in any contract, agreement or investment emanating from or connected with the public body in which he or she is employed or which is made on account of that public body, is guilty of an offence.

Do government institutions have enough measures in place to deal with unethical conduct?

Scenario 3

The Senior Manager in the District Municipality is alleged to have been involved in the procurement fraud. The Municipal Manager has been instructed that investigation be put on hold; since, the Senior Manager is leading the election campaign for the coming Local Government election.

What should the Municipal Manager do?

Offences in respect of Corrupt Activities - PRECCA

<p>Section 4 (a)</p> <p>Offences in respect of corrupt activities relating to public officers.</p>	<p>Public officer who directly or indirectly accepts or agrees or offers to accept gratification to influence another person to act illegally.</p>
<p>Section 12 (a)</p> <p>Offences in respect of corrupt activities relating to contracts.</p>	<p>Any person who directly or indirectly accepts or agrees or offers to accept gratification in order to influence the award of a contract.</p>
<p>Section 13 (a)</p> <p>Offences in respect of corrupt activities relating to procuring and withdrawal of tenders.</p>	<p>Any person who directly or indirectly accepts or agrees or offers to accept gratification in order to personally or influence another person to award a tender.</p>

Reporting fraud or irregularities – Municipal Finance Management Act

Section 32 (6)

The accounting officer must report to the South African Police Service all cases of alleged-

- (a) irregular expenditure that constitute a criminal offence; and
- (b) theft and fraud that occurred in the municipality.

Examples of unethical conduct cont...



Cashiers keeping municipal revenues for their own use.



Officials submitting false subsistence and travel claims.



Falsification of invoices and delivery records often involving collusion between suppliers and officials.

Examples of unethical conduct cont...



Deliberately damage to infrastructure, such as replacing industrial-grade water pumps with inferior ones to create a need for external contractors.



Theft of equipment, municipal armor (weapons/ammunition), tools and fuel.

Dealing with unethical conduct

The first step in bringing an end to unethical conduct starts with me:



THANK YOU

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KZN Provincial Government



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