

**CONTROL AND OVERSIGHT MEASURES FOR ETHICAL CONDUCT IN
PROCUREMENT PROCESSES AT THE RAYMOND MHLABA LOCAL
MUNICIPALITY**

by

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I declare that the above thesis is my own work and that all the sources that I have used or quoted have been indicated and acknowledged by means of a complete reference.

I further declare that I submitted the thesis to originality checking software and that it falls within the accepted requirements for originality.

I further declare that I have not previously submitted this work, or part of it, for examination at UNISA for another qualification or at any other higher education institution.

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DATE: 19 August 2025

DEDICATION

This thesis is dedicated to my son Lomso Dobela, Dala elihle kunamanye, your unwavering support, love and encouragement have been my guiding light throughout this journey. This work is also dedicated to my grandmother MaNdaba, a prayer warrior who taught me the importance of perseverance and prayer. I would like to dedicate this thesis to my late grandfather Mthuthuzeli Jezile, his legacy of hard work and determination will always remain in my heart, motivating me to strive for excellence in all that I do.

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ABSTRACT

In 1994, after the end of apartheid, the South African government initiated reforms to address socio-economic challenges, focusing on improving public finance management. One key reform was the introduction of a new approach to procurement and supply chain management (SCM), aimed at ensuring efficient resource use and meeting citizens' needs. Previously, public sector procurement was governed by outdated rules that prioritised the lowest price, lacked integration with budgeting and failed to address broader strategic goals. To rectify this, a new SCM Policy Framework for Public Sector Procurement in South Africa, was introduced on 10 September 2003 to standardise and improve the consistency of procurement practices across the public sector. Despite these reforms, issues like fraud and corruption persist, primarily due to weak controls and poor procurement management.

The aim of the study is to assess the effectiveness of the current control and oversight mechanisms in place in promoting and enforcing ethical conduct within procurement processes and to explore the underlying reasons for non-compliance with the legislative and regulatory framework guiding procurement processes. The literature reviewed in the study explored various control and oversight measures designed to ensure ethical conduct in procurement processes; procurement processes in the public sector; challenges faced when procuring goods and services; ethical conduct in the public service; causes of unethical behaviour; ethical dilemmas in procurement processes as well as measures to ensure ethical conduct. The theories of ethics were used to explain the motivations behind an individual's actions and describe the characteristics that define a virtuous person. The literature further examined the legislative and regulatory framework that guides procurement processes in the South African public sector.

The study was conducted using a qualitative research method. Data was collected through document analysis and interviews with demand and acquisition management, asset management and project management sections at the Raymond Mhlaba Local Municipality. The findings of the study show that, internal controls at the Raymond Mhlaba Local Municipality are not functioning effectively, resulting in deficiencies. The study also revealed that there was non-compliance with SCM legislation and SCM regulations at the Raymond Mhlaba Local Municipality. The proposed conceptual

framework may enhance the effectiveness of control and oversight measures to ensure ethical conduct in procurement processes, ultimately leading to improved service delivery and reduced risks of corruption and misconduct. The current study contributes to the existing body of knowledge on weak internal controls and increased ethical risks in public procurement, demonstrating how recurring deficiencies enable non-compliance and misconduct. Additionally, the findings of this study contribute to the existing body of knowledge on oversight failures and persistent audit issues which signal deeper cultural resistance to reform.

Keywords: control measures; oversight measures; ethical conduct; procurement; accountability; supply chain management; irregular expenditure; fruitless and wasteful expenditure

ISISHWANKATHELO

Ngo 1994, emva kokuphela kocalucalulo, urhulumente woMzantsi Afrika waphumeza uhlahlaziyo lokulungisa imingeni yezentlalo noqoqosho, kugxilwe ngakumbi ekuphuculeni ulawulo lwemali yoluntu. Olunye uhlahlaziyo olubalulekileyo yayikukwaziswa kwendlela entsha yokuthengwa kweempahla neenkonziso kunye nolawulo lwekhonkco lonikezelo (SCM), eyayijolise ekukhuthazeni ukusetyenziswa kwezixhobo ngokufanelekileyo nasekuzalisekiseni iimfuno zabemi boMzantsi Afrika. Ngaphambili, ukuthengwa kweempahla neenkonziso kwicandelo likarhulumente kwakulawulwa yimigaqo ephelilewe lixesha eyayibeka phambili ixabiso eliphantsi, ingenandibaniselwano nohlahlo-lwabiwo-mali, kwaye isilela ingazixhasi iinjongo ezibanzi zesicwangciso qhinga. Ukulungisa le miba, iNkqubosikhokelo yoMgaqonkqubo weSCM wokuThengwa kweMpahla neNkonzo kwiCandelo loLuntu eMzantsi Afrika yaziswa ngomhla we10 kweyoMsintsi 2003, ukuze kumiselwe imigangatho nokuphuculwa kokungaguquguquki kweendlela zokuthengwa kweempahla neenkonziso kulo lonke icandelo likarhulumente. Nangona olu hlahlaziyo lwenziwayo nje, imingeni efana nobuqhophololo norhwaphilizo isaqhubeka, ikakhulu ngenxa yolawulo olubuthathaka kunye nolawulo olulambathayo lokuthengwa kweempahla neenkonziso.

Injongo yesi sifundo sophando, ibikukuhlola ukusebenza kolawulo olukhoyo kunye neendlela zokongamela ekukhuthazeni nasekunyanzeliseni indlela yokuziphatha ngokweenqubo ezisesikweni kwiinkqubo zokuthengwa kwempahla neenkonziso, nokuphanda izizathu eziyingcambu zokungathotyelwa kwesikhokelo esingumgaqo nkqubo womthetho, nemimiselo esisikhokelo esilawula ukuthengwa kweempahla neenkonziso. Uncwadi oluhlahlaziyo kolu phando, luhlolisise amanyathelo ahlukeneyo okulawula kunye nokongamela okwenzelwe ukuqinisekisa ukuziphatha okufanelekileyo kwiinkqubo zokuthenga; iinkqubo zokuthengwa kwempahla karhulumente; imingeni ekujongenwe nayo xa kuthengwa iimpahla neenkonziso; ukuziphatha okungafanelekanga kwinkonziso karhulumente; izizathu zokuziphatha kakubi; iimeko ezohlukeneyo zokuziphatha kwiinkqubo zokuthenga; kunye namanyathelo okuqinisekisa ukuziphatha okufanelekileyo. Kusetyenziswe iithiyori zokuziphatha ukuchaza izizathu ezikhuthaza indlela abantu abaziphatha ngayo kunye neempawu zomntu oziphethe kakuhle. Uncwadi luqhubeleke lwahlola umgaqonkqubo

womthetho nemimiselo elawula iinkqubo zokuthengwa kweempahla neenkonzokwicandelo likarhulumente eMzantsi Afrika.

Esi sifundo sophando sisebenzise indlela yokuphanda ngeenkukacha magama (*qualitative research approach*) ukufumana ulwazi. Idatha iqokelelwe ngohlalutyolwamaxwebhu kunye nodliwanondlebe nabasebenzi abavela kulawulo lwefundo nokuthengwa, ulawulo lwempahla kunye namacandelo olawulo lweprojekthi kuMasipala weNgingqi iRaymond Mhlaba. Iziphumo zibonise ukuba ulawulo lwangaphakathi kulo masipala alusebenzi kakuhle, nto leyo ekhokelela kwiziphene nokusilela. Uphando lutyhile ukungathotyelwa komthetho nemimiselo yeSCM kulo masipala. Ze emva koko, wanikwa ingcebiso yokwenza umgaqo sikhokhelo ngenjongo yokuphucula ukusebenza kweendlela zolawulo kunye nemilinganiselo yokongamela kunye nokukhuthaza ukuziphatha okufanelekileyo kwiinkqubo zokuthengwa kweempahla neenkonzok, nto leyo eya kuthi ekugqibeleni ikhokelele ekuphuculweni kokunikezelwa kwenkonzo kunye nokunciphisa imingcipheko yorhwaphilizo nokuziphatha gwenxa. Olu phando longeza kulwazi osele lukhona malunga nolawulo lwangaphakathi olubuthathaka kunye nokwanda kwemingcipheko yokuziphatha kwiinkqubo zokuthengwa kweempahla neenkonzok zikawonkewonke, lubonisa indlela ukusilela neziphene eziphindaphindiweyo ezivumela ngayo ukungathotyelwa nokuziphatha gwenxa. Ngaphezu koko, iziphumo zonyusa ulwazi olukhoyo malunga nokusilela kolongamelo kunye nemiba yophicothozincwadi eqhubekayo ebonisa ukuxhathisa okunzulu kokungafuni ukwamkela utshintsho.

Amagama angundoqo: amanyathelo olawulo; amanyathelo okongamela; ukuziphatha okufanelekileyo; ukuthenga; ukuphendula; ulawulo lwekhonkco lonikezo; inkcitho engaqhelekanga; inkcitho engenanzuzo neyilahleko.

OPSOMMING

In 1994, na die einde van apartheid, het die Suid-Afrikaanse regering hervormings geïmplementeer om die sosio-ekonomiese uitdagings die hoof te bied met spesifieke fokus op die verbetering van openbare finansiesbestuur. 'n Belangrike hervorming was die bekendstelling van 'n nuwe benadering tot verkryging en aanbodkettingbestuur (AKB), wat gemik is op die bevordering van doeltreffende hulpbronbenutting en die voorsiening van burgers se behoeftes. Openbare sektor-verkryging is voorheen deur verouderde reëls beheer wat die laagste prys geprioritiseer het, wat geen begrotingsintegrasie gehad het nie, en wat nie breër strategiese doelwitte ondersteun het nie. Ten einde hierdie kwessies reg te stel, is die Beleidsraamwerk vir Aanbodkettingbestuur (AKB) op 10 September 2003 in die openbare sektor van Suid-Afrika ingestel om verkrygingspraktyke regoor die openbare sektor te standaardiseer en die konsekwentheid daarvan te verbeter. Ten spyte van hierdie hervormings duur uitdagings soos bedrog en korrupsie voort, hoofsaaklik as gevolg van swak beheermaatreëls en gebrekkige verkrygingsbestuur.

Die doel van hierdie studie was om die doeltreffendheid van huidige beheer- en toesigmechanismes in die bevordering en afdwinging van etiese gedrag in verkrygingsprosesse te evalueer, en om ondersoek in te stel na die onderliggende redes vir nie-nakoming van die wetgewende en regulatoriese raamwerk wat as riglyn vir verkryging dien. Die literatuuroorsig van die studie het verskeie beheer- en toesigmaatreëls ondersoek wat ontwerp is om etiese gedrag in verkrygingsprosesse te verseker; verkrygingsprosesse in die openbare sektor; uitdagings wat ervaar word tydens die verkryging van goedere en dienste; etiese gedrag in die openbare diens; oorsake van onetiese gedrag; etiese dilemmas in verkrygingsprosesse; en maatreëls om etiese gedrag te verseker. Etekteorieë is toegepas om individuele motiverings en die eienskappe van 'n deugsame persoon te verduidelik. Die literatuur het verder ook die wetgewende en regulatoriese raamwerk ondersoek wat verkrygingsprosesse binne die Suid-Afrikaanse openbare sektor beheer.

Die navorser het 'n kwalitatiewe navorsingsbenadering vir die studie gekies. Data is deur middel van dokumentanalise en onderhoude met personeel van vraag- en verkrygingsbestuur, batebestuur sowel as die projekbestuurafdeling van die Raymond Mhlaba Plaaslike Munisipaliteit ingesamel. Die bevindinge dui daarop dat die interne

beheermaatreëls van die munisipaliteit nie doeltreffend funksioneer nie en dus ontoereikendheid veroorsaak. Die studie het ook nie-nakoming van AKB-wetgewing en -regulasies by die munisipaliteit aan die lig gebring. 'n Konseptuele raamwerk is voorgestel met die oog op die verbetering van die doeltreffendheid van beheer- en toesigmaatreëls en die bevordering van etiese gedrag in verkrygingsprosesse, wat uiteindelik lei tot verbeterde dienslewering en verminderde risiko's van korrupsie en wangedrag. Hierdie studie dra by tot die bestaande kennisbasis oor swak interne beheer en verhoogde etiese risiko's in openbare verkryging, deur aan te toon hoe herhalende tekortkominge nie-nakoming en wangedrag moontlik maak. Verder dra die bevindinge by tot die bestaande kenniskorpus oor toesigversuim en volgehoue ouditkwessies wat op 'n dieper kulturele weerstand teen hervorming dui.

Sleutelwoorde: beheermaatreëls; toesigmaatreëls; etiese gedrag; verkryging; toerekeningsvatbaarheid; aanbodkettingbestuur; onreëlmatige besteding; vrugtelose en verkwistende besteding

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ABBREVIATIONS AND ACRONYMS

B-BBEE:	Broad-Based Black Economic Empowerment
B-BBEEA:	Broad-Based Black Economic Empowerment Act 53 of 2003
CIPC:	Companies and Intellectual Property Commission
CSD:	Central Supplier Database
EMEs:	Exempted Micro-Enterprises
KPIs:	Key Performance Indicators
MFMA:	Local Government: Municipal Finance Management Act 56 of 2003
MPAC:	Municipal Public Accounts Committee
MSA:	Local Government: Municipal Systems Act 32 of 2000
PAJA:	Promotion of Administrative Justice Act 3 of 2000
PAA:	Public Audit Act 25 of 2004
PPPFA:	Preferential Procurement Policy Framework Act 5 of 2000 as amended
PPR:	Preferential Procurement regulations
QSEs:	Qualifying Small Enterprises (QSEs)
RDP:	Reconstruction and Development Programme
SCM:	Supply Chain Management
SMMEs:	Small, Medium and Micro Enterprises
PoE:	Portfolio of Evidence

CHAPTER ONE

GENERAL INTRODUCTION

1.1 INTRODUCTION

This study is about control and oversight measures for ethical conduct in procurement processes. Although there is legislation guiding the procurement processes such as the Constitution of the Republic of South Africa of 1996; Preferential Procurement Policy Framework Act 5 of 2000; Broad-Based Black Economic Empowerment Act 53 of 2003, corruption in procurement processes continues to rise. A 2023 report by Corruption Watch revealed that, procurement irregularities accounting for 13% of all reported corruption cases, were one of the leading forms of corruption reported in 2023 (Corruption Watch, 2023:26). This could be resulting from inadequate or ineffective internal control and reporting systems. Corruption takes place in procurement processes due to the handling of large amounts of public funds in environments where accountability is lacking and control systems are weak thus creating opportunities for unethical practices.

This chapter provides the background and rationale of the study, which will enlighten the significance of the study. The following will be presented: the problem statement of the research; research questions and research objectives to provide a clear demarcation of the study; the research design; methodology; target population; sample size as well as the data collection techniques utilised in the study. Key terms used in the study will be defined and the study area also briefly explained. Ethical considerations applicable to this study will be explained and then the chapter will conclude with an outline of the chapters that will constitute this study.

The next section discusses the background and rationale for the study.

1.2 BACKGROUND AND RATIONALE FOR THE STUDY

Since 1994, supply chain management (SCM) in South Africa has undergone significant transformation, driven by legislative reforms aimed at promoting good governance. These reforms were introduced to address inconsistencies in how policies were applied and to unify previously fragmented procurement processes. Prior

to 1994, public procurement practices largely favoured well-established contractors, making it challenging for newer or emerging businesses to compete for government contracts (Miloane, 2021:3). It was in this context that the cabinet on 10 September 2003 espoused a SCM Policy Framework for Public Sector Procurement in South Africa, replacing the outmoded procurement and provisioning procedures (National Treasury, 2016:2). National Treasury (2016:2) provides that the outdated procurement and provisioning practices were governed by strict rules, where value for money was primarily seen as the lowest price offered. The focus was on monitoring inputs, with procurement and provisioning activities not being integrated into budget planning. The new SCM policy framework aims to standardise and ensure consistent interpretation of the government's preferential procurement laws and policies, fostering uniformity and consistency in the implementation of procurement processes across the government (National Treasury, 2016:2).

Mhelembe and Mafini (2019:3) argue that, in spite of having policies and procurement systems in place, service delivery has not improved in most municipalities in South Africa since 1995 and has instead, continued to worsen over the years. Municipalities are at the forefront of development and for municipalities to develop communities, goods and services must be provided so that the needs of communities can be met. Development depends on goods and services because they are the building blocks of a functioning society (Mhelembe & Mafini, 2019:3).

Molokomme (2019:3) provides that, despite the adoption of fundamental SCM reforms since 1994, dilemmas in the South African public sector procurement processes still persist. Events from the years 2010 to 2019 illustrate that efforts by the government to improve public sector procurement processes have failed to yield the desired outcomes. These events relate to incidences of tender irregularities, flouting of rules intended to prevent working with restricted suppliers, failure to follow correct procurement processes as well as the underperformance by service providers which are on the rise, crippling service delivery (Molokomme, 2019:3).

The above-mentioned literature focuses on corruption in procurement processes, misappropriation of public funds, tenders awarded to friends and family for income purposes and underperforming contractors. Studies assessing the practical

effectiveness of control and oversight mechanisms at the municipal level, particularly in rural or less-resourced municipalities, remain limited. There is a gap in understanding how the existing control and oversight measures work in practice and whether they are truly preventing unethical behaviour. This study seeks to close that gap by assessing how the existing control and oversight measures are being implemented by municipalities, the challenges municipalities face and the reasons behind their failure in ensuring ethical procurement. By evaluating these control and oversight measures, this study aims to offer recommendations on how to strengthen control and oversight measures for ethical conduct in procurement processes and how to enhance transparency, accountability and ethical behaviour in procurement processes, ultimately contributing to better governance and improved public service delivery.

This study is significant because of the importance for prudent use of municipal finances in promoting good governance, improving service delivery and accountability for the use of public funds. This study may contribute to the domain of public and municipal administration, as it is concerned with improving local governance, enhancing probity and promoting accountability in the utilisation of municipal finances. This study will contribute to the discipline of Public Administration, Local Government and Administration and ethics in Public Administration.

This study seeks to contribute to the theoretical and empirical levels of a doctoral study. It may help other researchers doing research in the same field to identify gaps relating to non-compliance to legislations guiding public procurement processes as well as control and oversight measures in place for public procurement processes. The recommendations at the end of this study may assist the Raymond Mhlaba Local Municipality and other municipalities in strengthening their control and oversight measures and ensuring that a plan of action is in motion to prevent non-compliance with legislations guiding public procurement processes. This study may also help municipal officials who are responsible for procurement processes in addressing the challenges they face in procurement procedures.

1.3 PROBLEM STATEMENT

Manyathi (2019:37) argues that municipalities have a responsibility to render basic services to the communities they serve. To offer communities world class services, municipalities depend on external service providers such as contractors that are awarded tenders. It is observed by Mahlangu (2019:33) that, procurement is more prone to corruption than other areas, primarily because it offers numerous opportunities for unethical behaviour and the potential for significant personal gain. As a result, various forms of corruption such as fraud, bribery, collusion and extortion are commonly observed in procurement processes.

The Auditor-General South Africa (AGSA) (2019:115) notes with concern that there is an increasing trend of non-compliance with applicable legislation and prescripts in municipalities during procurement processes. As per National Treasury (2015:15), fraudulent activities such as corruption, tender irregularities, unauthorised expenditures, and misappropriation of taxpayers' money result from non-compliance with SCM policies and regulations. It is argued by Sibanda, Zindi and Maramura (2020:6) that the public loses trust in the administration of public affairs when SCM practices are unethical. Sibanda *et al.* (2020:6) further contend that the problem is that municipalities continue to violate some SCM regulations even though there are control and oversight mechanisms as well as procedures in place to ensure adherence to ethical standards, norms and SCM regulations in procurement procedures. Langbooi (2023:36) argues that effective implementation of SCM policies is key to promoting good governance as it enhances control and oversight, minimises waste, eliminates misconduct and fosters integrity, transparency and accountability.

From the above it can be deduced that there are ongoing concerns regarding unethical practices such as corruption, fraud and mismanagement of public funds within municipal procurement activities. The research problem can thus be identified as: *Even with various legislative and regulatory frameworks in place in South Africa's public sector, challenges persist in enforcing effective control and oversight mechanisms to ensure ethical conduct in procurement processes.* In this regard, it is important to explore the existing control and oversight measures implemented at the Raymond Mhlaba Local Municipality to assess their effectiveness in promoting ethical

conduct and identify gaps or weaknesses in the current SCM systems, in order to come up with recommendations for improvements.

1.4 RESEARCH QUESTIONS

The main research question of this study is: *how effective are the control and oversight measures in place for public procurement processes and what are the reasons and causes for non-compliance with legislation and regulations guiding public procurement processes?* The following research questions need to be answered in order to address the research problem, identified in section 1.3 above:

- (i) What has been published on: control and oversight measures for ethical conduct in the public sector, procurement processes in the public sector and challenges faced by the South African public sector when procuring goods and services?
- (ii) What has been published on theories of ethics in the public sector?
- (iii) What is the nature of the relevant legislative and regulatory frameworks guiding procurement processes in the South African public sector?
- (iv) What is the most appropriate research methodology to answer the research questions of the study?
- (v) How will the collected data be analysed, interpreted and presented?
- (vi) What should the Raymond Mhlaba Local Municipality do to improve control and oversight measures for ethical conduct in procurement processes?

1.5 RESEARCH OBJECTIVES

The main objective of this study is to determine the effectiveness of the control and oversight measures in place for public procurement processes as well as reasons and causes for non-compliance to legislations and regulations guiding public procurement processes. The following secondary objectives will be achieved, to:

- (i) review literature on control measures for ethical conduct in the public sector, procurement processes in the public sector and challenges faced by the South African public sector when procuring goods and services.
- (ii) reflect on available literature on theories of ethics in the public sector.
- (iii) examine relevant legislative and regulatory frameworks guiding procurement processes in the South African public sector.

- (iv) determine the most appropriate research methodology to answer the research questions.
- (v) analyse, interpret and present the collected data through interviews and document analysis.
- (vi) summarise the study and draw conclusions based on the study's findings.
- (vii) recommend what the Raymond Mhlaba Local Municipality should do to improve control and oversight measures for ethical conduct in procurement processes.
- (viii) to develop a conceptual framework for strengthening the effectiveness of control and oversight measures for ethical conduct in procurement processes.

1.6 RESEARCH DESIGN AND METHODOLOGY

The research design and methodology for this study are discussed in detail in chapter five of the study. This section will briefly discuss the research methods used in this study. A research design is the structured approach used to collect and analyse data to answer the research questions and address the identified problem (Jaakkola, 2020: 2). A research methodology according to Pursell (2020:112) refers to the whole research process, including the approach, methods and processes used for data collection and analysis. Kumar (2019:63) asserts that there are three approaches that are used in social sciences research to find answers to research questions. These are the quantitative, qualitative and mixed methods approaches. The qualitative approach was adopted in this study as it was the most appropriate method for answering the research question because it allows for in-depth exploration of processes, experiences and meanings.

The next section briefly discusses the data collection techniques used in this study.

1.6.1 Data collection techniques

Data was gathered through individual interviews and document analysis. An interview, according to Bless, Higson-Smith and Sithole (2020:129), is an appropriate method when gathering information from participants on their opinions and experiences based on the researched topic. Individual interviews were conducted with officials in the demand and acquisition management, asset management and project management

sections at the Raymond Mhlaba Local Municipality to obtain a deeper understanding of the participants' perspectives on control and oversight measures for ethical conduct in procurement processes. The data collection technique entails mostly a document analysis as part of unobtrusive research techniques in addition to other unobtrusive techniques such as conceptual and content analysis. Document analysis was chosen for triangulation purposes. According to Creswell (2022:84), document analysis is a methodical process of going through documents, whether printed or electronic. A thorough understanding of the whole procurement process was obtained through analysing official documents such as bids and contracts management, asset management, project management and score sheet documents used to score suppliers for specific goals (cf. section 2.5.1.4) and scoring for price when evaluating quotations, with permission from the municipality. The data collected from interviews and data obtained from official documents were checked against each other to achieve trustworthiness of the data collected.

The following section provides a brief overview of the population and sampling for the study.

1.6.2 Target population and sampling

This section briefly discusses the target population and sample for the study. A target population, according to George (2021:70), is a group that a researcher would ideally prefer to obtain information from to assist in answering research questions. The target population for this study was made up of eight officials from demand and acquisition management, five officials from asset management and five officials from the project management sections of the Raymond Mhlaba Local Municipality. The mentioned sections were selected since they deal directly with procurement processes within the municipality. Non-probability sampling method was used because the researcher knew which sections in the Raymond Mhlaba Local Municipality are required for the study. Singh (2018:230) defines non-probability sampling as a research approach where researchers deliberately select participants with full knowledge of who will be included in the study. There were ten officials in the demand and acquisition management section, and saturation was reached after interviewing eight officials. There were seven officials in the asset management section, and saturation was

reached after interviewing five officials. There were eight officials in the project management section, and saturation was reached after interviewing five officials.

1.7 STUDY AREA

The study area is briefly explained below.

Figure 1.1: Map of the Raymond Mhlaba Local Municipality



Source: Google Maps

The Raymond Mhlaba Local Municipality was formed on August 3, 2016 as a result of a merger of the former Nkonkobe and Nxuba local municipalities. The municipality was named in honour of Raymond Mhlaba, a prominent anti-apartheid activist. The Raymond Mhlaba Local Municipality is a category B municipality which is a local municipality that shares municipal executive and legislative authority with a category C municipality (a district municipality) in whose area it falls. The municipality covers the following areas: Alice, Fort Beaufort, Hogsback, Middledrift, Seymour, Adelaide and Bedford. The Raymond Mhlaba Local Municipality is in a rural area with an economy largely sustained by agriculture, particularly forestry, citrus farming and crop cultivation. The citrus sector serves as one of the major sources of employment in the municipality and the region also engages in timber production and processing through its forest plantations. The municipality has an estimated population of 178,594 residents as of 2022. Fort Beaufort town serves as the administrative headquarters of

the Raymond Mhlaba Local Municipality (Raymond Mhlaba Local Municipality, 2022:1).

1.8 ETHICAL CONSIDERATIONS APPLICABLE TO THIS STUDY

This section briefly discusses the ethical considerations applicable to this study. Kumar (2019:258) asserts that it is important to seek permission from a gatekeeper, or the person authorised to give permission for research to be conducted in an institution and once permission has been obtained from the institution, it is even more important to obtain consent from participants to participate in the study. In this regard, the researcher obtained written permission from the Raymond Mhlaba Local Municipality and ethical clearance from the University of South Africa before collecting data. Leedy and Ormrod (2019:101) suggest that, most ethical issues in research can be classified into four categories; namely informed consent, protection from harm, right to privacy and honesty. The ethical issues observed in this study include confidentiality, anonymity, informed consent, privacy of participants and voluntary participation which will be elaborated upon further in chapter five.

1.9 KEY CONCEPTS RELATED TO THE STUDY

The following concepts are paramount to the study and are clarified and contextualised for the study below:

1.9.1 Supply chain management

Sharma, Sengupta and Panja (2019:950) provide that supply chain management encompasses acquisition, contracting, buying, renting, leasing and purchasing. It places emphasis on the principles of equity, integrity, economy and efficiency.

1.9.2 Procurement

Procurement refers to the process by which government or public sector institutions acquire goods and services to carry out their responsibilities and functions (Nzimakwe, 2023:3).

1.9.3 Ethical conduct

An ethical conduct approach aims to guide the responsibilities of professionals and public officials in their daily roles, particularly in overseeing and managing bureaucratic processes (Langbooi, 2023:3).

1.9.4 Accountability

Accountability is a fundamental element of effective governance and is strengthened through citizen involvement, openness, responsiveness and representative decision-making (Mkhize, 2023:42).

1.9.5 Control measures

Control measures can only provide reasonable assurance that an organisation's goals will be achieved, regardless of how well those measures are designed and executed (Adegbile, Sarpong & Kolade, 2021:291).

1.9.6 Oversight measures

Moji, Nhede, and Masiya (2022:2) state that, oversight involves monitoring the actions of the executive to enhance service delivery and elevate the quality of life for all residents.

1.9.7 Irregular expenditure

Irregular expenditure is defined as spending that takes place without complying with the applicable rules or regulations (Nabane, Klingelhöfer & Geyer, 2024: 2).

1.9.8 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure refers to spending that served no purpose and could have been avoided if proper caution had been taken (Sauls, 2020: 1).

The study's chapter outline is discussed below.

1.10 CHAPTER OUTLINE

The chapter outline of the study is as follows:

Chapter one introduces the study and the background of the study. The chapter formulates the problem statement, the research objectives as well as the research

questions. The significance for the study is outlined and key concepts to the study are explained.

Chapter two reviews literature related to the study. Amongst others, it describes control measures for ethical conduct in the public sector, oversight and accountability in local government, procurement processes in the public sector and challenges faced by the South African public sector when procuring goods and services. Furthermore, the chapter considers unethical conduct in the public sector, causes of unethical behaviour, ethical dilemmas during procurement processes as well as measures to ensure ethical conduct.

Chapter three provides a review of literature on theories of ethics in the public sector.

Chapter four provides the legislative and regulatory frameworks that guides procurement processes in the South African public sector.

Chapter five considers the research design and methodology used in the study. It describes the data collection techniques used in the study and outlines sampling procedures. Ethical considerations applicable to this study are highlighted, research trustworthiness is discussed and limitations of the study are provided.

Chapter six analyses, interprets and presents data collected through interviews and document analysis. Details of the views and perceptions of participants in the study are provided.

Chapter seven summarises the study and draws conclusions based on the study's findings. Research objectives are discussed to ensure that the research is concluded. This chapter further provides recommendations for improvements in control and oversight measures for ethical conduct in procurement processes in the public sector.

CHAPTER TWO

REVIEW OF LITERATURE ON CONTROL AND OVERSIGHT MEASURES FOR ETHICAL CONDUCT IN PROCUREMENT PROCESSES

2.1 INTRODUCTION

Chapter two addresses literature on control and oversight measures for ethical conduct in procurement processes. The chapter starts by providing search results of similar studies to the current study in research databases. This chapter further discusses control measures for ethical conduct in the public sector, locating the study within literature that considers control measures for ethical conduct in the public sector, contributing to curbing unethical conduct in procurement processes. The discussion also includes oversight and accountability in local government. The chapter continues to report on literature on public procurement processes. Challenges faced by the public sector when procuring goods and services are discussed. The chapter further unpacks ethical conduct in the public sector, causes of unethical behaviour, ethical dilemmas in procurement processes and measures to ensure ethical conduct are provided. A summary of the chapter is also provided at the end.

The following section discusses research databases search results.

2.2 RESEARCH DATABASES SEARCH RESULTS

In this section, studies on the Nexus and ProQuest databases similar to the current study are reported on. This is done to ensure that the current study is not a duplicate of a study already conducted. The aim is to also identify existing gaps in the studies already conducted on the topic of control and oversight measures for ethical conduct in procurement processes.

2.2.1 Nexus search results

The nexus database owned by South Africa's National Research Foundation produces a list of current and completed doctoral theses and master's dissertations. The researcher conducted a search of the database to ensure that the current study is not a duplicate of a study already conducted. The following search terms were used in the search: control and oversight measures, ethical conduct in the public sector and public

sector procurement processes. The reviewed studies that are similar to the current study are discussed below.

The first study related to the current study was conducted by Nandipha Nano (2008) entitled: *An evaluation of the implementation of the Preferential Procurement Policy Framework Act (No 5 of 2000) with reference to selected municipalities in the province of the Eastern Cape*. The aim of this study was to assess the implementation of the PPPFA. The study adopted the qualitative research method and survey questionnaires were utilised to collect data. The study's findings indicated that, there is still more that needs to be done to ensure that the objectives of the 1996 Constitution and the preference point system are strengthened for the benefit of the intended people. Elements of management: namely, planning, organising, leading and control were not balanced and there was poor monitoring and reporting methods, which hindered the implementation of the PPPFA. Recommendations at the end of the study suggest that municipalities should make sure that the municipal performance monitoring cluster conducts continual monitoring and reporting to achieve the effective implementation of the PPPFA.

The second study was conducted by Ncedo Cameron Xhala (2013) entitled: *Improving procurement management practices in the public sector: A study of Eastern Cape Province*. This study investigated the lack of improvement on public procurement procedures. The study's aim was to determine the reasons for non-compliance, examine factors causing ineffective monitoring and evaluation in the public sector and identify factors that affect the choice of the best procurement processes. The study utilised a qualitative research design and data was collected through interviews. Findings of the study indicated inadequate monitoring and evaluation of procurement processes, lack of training and shortage of skills within the procurement section. Furthermore, the study found that there is a lack of understanding of public procurement processes leading to its implementation not being effective. The study recommends that, newly employed officials in the procurement section must possess qualifications related to procurement, clear rules and regulations must be made known to all public servants working in the procurement section. Furthermore, the study suggests that to improve public sector procurement, training initiatives that would encourage the finest public procurement procedures should be implemented. In

addition, uniformity in identifying and categorising methods and procedures for public procurement and adopting an ethical code for all public procurement officials would encourage optimal practices.

2.2.2 ProQuest search results

The ProQuest database is similar to the Nexus database. It is a database of completed theses. Control systems, control and oversight measures for ethical conduct, and public procurement procedures were keyword phrases used for searching. A study similar to the current study is presented below.

A similar study to the current one was done by Gasela Moses (2022) entitled: *The impact of material irregularity provisions of the Public Audit Act on accountability, oversight and governance in the Northern Cape province of South Africa*. The study's aim was to explore the effects of the provision in the amended Public Audit Act 25 of 2004 (PAA) on material irregularities and how the new clauses would impact governance, oversight and accountability. The study utilised the quantitative method and data was gathered by means of questionnaires. The findings of the study indicated that the material irregularity requirements espoused in the amended PAA have a favourable effect on accountability, governance and oversight. Furthermore, the findings suggested that material irregularity processes significantly protect and create value for South Africa's public finances through discouragement of future wrongdoing, including non-compliance to legislation, fraud, theft or breaches of fiduciary duty, even if that cannot be measured in monetary terms. Recommendations of the study suggest that, in the case that a major irregularity is discovered or suspected during the audit process, the government should collaborate and support the application of the material irregularity rules to strengthen accountability, governance and oversight.

While the above studies have focused on procurement policies and public sector procurement more generally, the current study differs from them in that it focusses on the effectiveness of the existing control and oversight measures in enforcing ethical conduct at the local government sphere, whether there are any gaps in enforcement at the local government sphere and the challenges municipalities face in enforcing ethical standards and how these challenges can be overcome. This study therefore provides a unique contribution to the existing body of knowledge on control and

oversight measures and procurement processes in the public sector by investigating the effectiveness of the existing control and oversight measures for ethical conduct in procurement processes.

2.3 CONTROL MEASURES

Moolman (2021:70) asserts that, control involves ensuring that acquired resources are managed to maximise efficiency and effectiveness to help the institution achieve its goals. Jori (2022:18) explains that controls consist of rules and procedures put in place by management to support the achievement of the organisation's goals. They are intended to offer a reasonable level of confidence that the organisation will successfully achieve its objectives. According to Babalola (2020:12), control mechanisms possess distinct features which include automated or manual processes, reconciliation activities, separation of duties, reviews, approval authorisations, asset safeguarding and accountability procedures. Such measures help protect an organisation, detect mistakes and fraud and maintain the reliability of financial data. Similarly, Adegbile, Sarpong and Kolade (2021:291) argue that control measures can only provide reasonable assurance that an organisation's goals will be achieved, regardless of how well those measures are designed and executed. Financial mismanagement often stems from inherent flaws within the control system itself.

The following section considers the control measures in the public sector.

2.3.1 Internal control

Klein, Lubinga and Masiya (2024:1) argue that all organisations depend on internal controls as a fundamental instrument to enhance efficiency, ensure reliability and maintain compliance in their operations. These controls are essential for risk management, protecting assets, promoting transparency and boosting overall performance, especially within SCM. Mbatha (2020:24) notes that, to ensure effective financial management, municipalities should establish a robust system of internal controls. Internal control mechanisms assist municipalities in strengthening their financial accounting systems and preventing corruption. By implementing internal controls, municipalities can improve operational efficiency and effectiveness through transparent and reliable financial reporting, while also ensuring compliance with legislation like the Local Government: Municipal Finance Management Act 56 of 2003.

Public sector institutions gain substantial advantages from establishing strong internal controls to maintain accuracy and reliability in their SCM systems (Saro, Keitany, & Rop, 2021:86). Internal controls are essential to effective SCM, as they support accurate and efficient financial reporting, ensure compliance with SCM laws and regulations as well as aid in the early identification and prevention of irregular, fruitless and wasteful expenditure (Sibanda *et al.*, 2020:5). Soopal (2023:1) argues that the lack of effective internal control systems in the public sector remains a longstanding issue in South Africa, impeding the delivery of vital public services. Weaknesses in internal controls according to Mnguni and Subban (2022:152), are major underlying factors that lead to audit qualifications. Consequently, it is essential to understand what internal controls are and recognise their significance within the framework of sound financial governance.

Ndyalivane (2025:37) adds that, internal controls refer to the strategies an institution uses to manage risks and enhance the likelihood of achieving its predetermined goals or objectives. These controls are implemented by management through the planning, development, organisation and oversight measures designed to provide reasonable assurance that the organisation's objectives will be successfully met. Based on the aforementioned sources, the above discussions effectively establish internal controls as foundational to good governance and operational success, particularly in public sector SCM, while also identifying a critical implementation gap that undermines their potential impact. From the above it can be noted that, internal controls are not only tools for ensuring efficiency, compliance and transparency, but are also key in managing risks and safeguarding assets. As noted by Soopal (2023:1), the lack of effective internal control systems in the public sector remains a longstanding issue in South Africa, impeding the delivery of vital public services. This points to a longstanding deficiency in effective internal control systems across South African public institutions and this gap is linked directly to failures in public service delivery, particularly due to unchecked irregular, fruitless and wasteful expenditure in SCM processes.

2.3.2 Risk management

Mbatha (2020:24) asserts that, enhancing the management of municipal finances requires effective risk management. It is noted by Jori (2022:17) that, risk refers to the chance that an event or action could negatively impact an organisation. Risk

management serves as the second line of defence, focusing on minimising both the severity and probability of adverse outcomes, while also maximising and generating potential benefits from decision-making. Ndyalivane (2025:39) argues that the main objective of managing threats is to address risk-related issues in an organised manner. When threats are effectively managed, it creates a supportive environment that allows a business to achieve its goals. In the context of South African municipalities, this refers specifically to the delivery of essential services. Joel (2019:358) explains that risk management involves the allocation of resources, as well as the planning, coordination and control of efforts to minimise the potential impact of risks to an acceptable level. It is a structured approach through which organisations systematically tackle risks related to their operations, aiming to secure ongoing value from each individual activity and the overall set of activities. This process should be continuous and evolving, integrated into both the institution's strategic planning and its execution of operational activities.

In response to the demands of the MFMA, which outlines that municipalities along with municipal entities should design and maintain effective, efficient and transparent systems of risk management and control, the Local Government Risk Management Framework was developed in 2019. The Local Government Risk Management Framework, 2019, evolved from the Public Sector Risk Management Framework, 2009. With input from relevant laws, the Public Sector Risk Management Framework, 2009, as well as numerous local and international risk standards, the guidelines and governance regulations have been tailored to focus on local government in the Local Government Risk Management Framework. The Local Government Risk Management Framework intends to assist institutions (municipalities and entities) in utilising efficient risk management techniques to guard against unfavourable outcomes and take advantage of opportunities thus strengthening institutional performance and adding value for citizens (National Treasury, 2020:18).

From the above, it can be noted that, if institutions can identify risks, understand what is at risk and manage those risks, that could have a positive impact on achieving an institution's objectives. An effective risk management plan can protect an institution against possible risk incidences and thereby improve institutional productivity. To improve the management of municipal finances, effective risk management is required.

2.3.3 Financial reporting

Financial reporting is emphasised by the MFMA, as being essential to effective financial management. The constitutionally mandated pursuit of accountability and openness serves as the best justification for the requirement of financial reporting. According to section 195(1) (f) and (g) in the Constitution of the Republic of South Africa, 1996, public administration must be honest and responsible by giving the public timely and easily available information (Dinapoli, 2018:9). Mbatha (2020:10) explains that there are three key financial reporting functions. These include financial planning, which focuses on creating forecasts and statements to assess the feasibility of proposed actions. The second one is financial decision-making, which involves identifying and choosing appropriate funding sources and financial structures and the third one is financial control, which ensures plans are effectively implemented through the monitoring of financial elements such as revenue, debtors, inventory, creditors and liquidity. The MFMA in section 121(2)(b) according to Mnguni and Subban (2022:148), mandates municipalities to compile annual reports and present them to the council to enhance accountability in municipalities. The annual reports must include, among other things, the annual financial statements, performance reports and the Auditor-General South Africa's (AGSA's) findings.

The following section explains how municipalities use annual reports to communicate progress on performance goals and budget allocations from their strategic plans.

2.3.3.1 Annual report

The goal of the annual report in a municipality is to offer a record of the activities that took place in a municipality during the relevant financial year as well as information on how well or otherwise, a municipality performed in comparison to their budgets. The MFMA reporting framework aims to facilitate the regular and useful dissemination of data on municipal financial performance (Radebe, 2021:18). All municipalities and municipal institutions must submit an annual report, which serves as a crucial tool for tracking progress towards goals set forth in their strategic plans. A municipality's strategic plan aims to improve service delivery, economic development and job creation as well as empowering citizens through skills development programmes. A municipal council consults with the committees it has established to consider the annual report. Typically, an oversight committee, the municipal public accounts committee examines the annual reports and prepares an oversight report for

presentation and discussion to council and makes recommendations to the council (Diale, Maserumule & Mello, 2017:641).

On the basis of the above, it can be noted that financial reporting is a critical mechanism for ensuring compliance with procurement processes and policies. Financial reporting assists in promoting accountability in municipal finance and is a potent mechanism for reporting malfeasant behaviour and wrongdoing as it provides a municipality's records of the activities for that financial year. For municipalities to be accountable in the management of their finances, financial reporting is essential to ensure transparency and accountability to citizens on how municipal funds are spent.

2.3.4 Auditing

Azinogo (2023:36) alludes that in order to build greater public trust in the function of public sector institutions, South African public sector institutions should consistently disclose their activities as the public tends to place more trust in information released by independent auditing institutions than in information from other sources. Consequently, public sector auditing plays a crucial role not only in promoting economic development but also in upholding the public interest. Through auditing, accountability is enhanced and stakeholder confidence in financial reporting is reinforced. Ultimately, these audit practices contribute to economic growth and increase the value of transactions that investors are willing to pursue (Azinogo, 2023:36).

Auditing, according to William, Steven and Douglas (2018:4), is a systematic method of impartially obtaining and assessing data regarding economic acts and occurrences to ascertain the extent to which those claims correspond with predetermined criteria and then communicating the findings to relevant parties. Zweni (2022:78) argues that auditing is intended to ensure that funds are protected from theft, waste, misuse and reporting errors. In the public sector, auditing also supports government departments and municipalities to function in compliance with relevant laws and regulations. Monnatlale (2023:22) concedes that most municipalities receive poor audit outcomes due to their failure to effectively manage annual financial statements and comply with the systems outlined in the MFMA. As a result, financial challenges are widespread among South African municipalities, with only a small number having ever achieved a clean audit from the AGSA.

The next section explains internal and external auditing as control measures.

2.3.4.1 Internal auditing

Internal auditing is primarily an examination of accounting, financial and other activities carried out within an institution. Internal auditing is a crucial managerial control tool since it measures and assesses the efficacy of institutional controls (William *et al.*, 2018:25). Geqeza (2023:49) explains that internal audit operates independently to deliver assurance and guidance, it is designed to enhance value and support organisational improvement. It helps organisations achieve their objectives by applying a structured, methodical approach to assess and strengthen the effectiveness of risk management, control systems and governance processes.

Mbetha and Moosa (2024:37) argue that municipalities have consistently failed to take proactive steps in tackling fraud and corruption since the establishment of the local government system. The AGSA has frequently drawn attention to ongoing tender fraud which continues to have a serious impact on municipal operations. As a result, South Africa has incurred substantial financial losses due to corrupt procurement processes, prompting repeated public protests demanding improvements in service delivery. According to Ar'Reza, Wardoyo and Putri (2020:69) implementing an internal audit function is widely regarded as a best practice for both organisations and governments globally, as it plays a key role in preventing and detecting fraud.

Ndyalivane (2025:34) posits that, section 165 of the MFMA sets the foundation for establishing internal audit functions within South African municipalities. Internal auditing is recognised as a key component of internal control, corporate governance, and risk management and it offers vital assurance and support to municipalities. Section 165 of the MFMA identifies the internal audit function as a critical management tool that delivers value-added services to municipalities and their entities. When internal audits are conducted objectively and are adequately resourced, they can effectively support management by providing assurance on the efficiency of legislative compliance, internal controls, and risk management processes (Ndyalivane, 2025:34).

While internal audits are critical for institutional integrity and service delivery, from the viewpoint of the researcher, their success hinges on proper implementation, independence and adequate resources. Without these, even well-structured frameworks like the MFMA may fail to achieve their intended outcomes. It therefore

benefits management to retain an effective internal audit function that, through constructive criticism and professional scepticism, raises issues pertaining to institutional effectiveness and efficiency. It is noted by Sambo (2017:21) that communication theory emphasises that, clear and open communication among internal auditors, auditees, and public institution members is essential for enhancing the impact of internal audits. In the view of the researcher, effective communication ensures that audit findings are understood, accepted and acted upon, thereby reinforcing the role of audits in improving institutional performance and accountability. An efficient internal audit function could help boost stakeholder's trust in an institution's financial reporting and collaborative governance. Clear and open communication among internal auditors, auditees, and public institution members is crucial to improving the impact of internal audits.

2.3.4.2 External auditing

External auditing according to Mbengo (2024: 6), is viewed as a corporate governance tool that promotes financial transparency, strengthens accountability and ensures the reliability of reported information. External auditing plays a crucial role in a country's integrity framework by helping to reduce the risk of corruption (Jeppesen, 2019:1). Jeppesen (2019:9) further alludes that while external auditing alone cannot eliminate fraud and corruption, it plays an important role in supporting effective corporate governance. Cicek and Dikmen (2021:8) note that external auditing enhances financial transparency and strengthens accountability within corporate governance. Mohsin and Abdulkareem (2022:4) argue that auditor independence is a key concern for users of financial statements, as it helps build trust in the reliability of the information presented and is thus considered a fundamental pillar of the auditing profession. It reflects an auditor's ability to remain free from personal interests, enabling them to assess all facts impartially and provide an unbiased opinion. As noted by Puttick and Van Esch (2017:42), all municipalities and departments at all spheres of government in South Africa are required to have an external auditor, which is the AGSA. The AGSA is established in terms of chapter nine of the Constitution of the Republic of South Africa, 1996, and is mandated to audit all public institutions. Thusi and Matyana (2024:135) posit that, as outlined in section 188 of the Constitution of the Republic of South Africa, 1996, the AGSA holds a constitutional mandate and serves as the country's supreme audit institution with the purpose of supporting and upholding democracy by promoting

oversight, accountability and effective governance in the public sector through auditing, thereby fostering public trust.

Against this background, it can be deduced that external auditing is a vital instrument of corporate governance that promotes financial transparency, accountability and the credibility of financial information. While external auditing alone cannot eradicate fraud and corruption, it plays a significant role in reducing their risk and strengthening governance frameworks. Auditor independence is essential for maintaining trust in financial reports, as it ensures objective and unbiased assessments. According to Puttick and Van Esch (2017:42), and as mandated by the Constitution of the Republic of South Africa, 1996, all municipalities and departments at all spheres of government in South Africa are required to have an external auditor, which is the AGSA. The AGSA established under the Constitution of the Republic of South Africa, 1996, is mandated to audit all public institutions, reinforcing democratic oversight and public accountability through its auditing functions.

The next section discusses oversight and accountability in local government.

2.4 OVERSIGHT AND ACCOUNTABILITY IN LOCAL GOVERNMENT

Mbatha (2020:22) provides that by guarding against unethical behaviour, misuse of state resources and the abuse of power, municipal financial accountability and oversight seeks to improve service delivery while enhancing local government transparency and accountability. Suka (2021:24) adds that, oversight involves monitoring and assessing the actions of individuals that have been given specific duties or authority to ensure that they are fulfilling their responsibilities in line with established policies and regulations as well as achieving the intended results and outcomes.

It is argued by Rulashe and Ijeoma (2022:2) that, in South Africa, public accountability is a legal requirement designed to strengthen the relationship between state institutions and the public, while also ensuring that citizens are kept informed about government actions and activities. Kgobe and Chauke (2021:46) assert that, accountability challenges are most common at the local sphere of government, which is the closest to the people and should be the most answerable to them. Despite 27 years of democracy since 1994, the South African public sector continues to face severe challenges related to public accountability and corruption.

To ensure sound financial management in South Africa's local municipalities, the following oversight mechanisms should be utilised.

2.4.1 Municipal Public Accounts Committee

Suka (2021:12) explains that the Municipal Public Accounts Committees (MPACs) act as an oversight body, tasked by the council with monitoring and reviewing the actions of the executive and the administration of municipalities, led by a municipal manager. It is further explained by Mbatha (2020:13) that, to ensure accountability in public spending, the MPAC plays an important oversight role. According to section 79 of the Local Government: Municipal Structures Amendment Act 3 of 2021, the municipal council must formally approve the creation of an MPAC through a council resolution. This resolution outlines the committee's responsibilities and terms of reference. The council assigns duties to the MPAC based on these agreed roles and defines the committee's operational procedures.

Mhlanga (2021:24) argues that the South African government evaluates its accounting practices based on performance review reports issued by the AGSA's office. Municipal financial accountability and oversight are reflected in how these reports are addressed. When local municipalities lack proper oversight mechanisms, it increases the risk of corruption and unethical behaviour. To address this issue, the MPAC was created to strengthen local government oversight and enhance accountability and transparency in financial management. The MPAC plays a critical role in ensuring accountability and oversight in municipal finances and its responsibilities include promoting good governance, transparency and responsible management of public funds and municipal budgets (Mhlanga, 2021:24).

With reference to the above-mentioned views, it can be noted that, with the objective of promoting good governance and utilising the administrative and financial resources of the municipality in an effective and efficient manner, the MPAC serves as a crucial oversight committee in assisting the municipal council in promoting accountability among officials and the municipal administration. As noted by Rulashe and Ijeoma (2023:56), the establishment of the MPAC is a strategic response to oversight deficiencies, aiming to bolster financial governance at the local sphere of government. It is clear that, the MPAC is a critical governance mechanism in South African

municipalities, designed to prevent financial mismanagement and corruption by enforcing oversight and, its effectiveness depends on proper implementation and adherence to its mandated roles. Malefetsane and Mafolo (2021:2) note that, MPACs are legally mandated to uphold internal accountability, among other duties, as they were established in response to the widespread belief that South African municipalities suffered from a lack of accountability. However, due to political appointments and power struggles within municipalities, the oversight effectiveness of some MPACs has been compromised. As a result, in some cases, the MPACs have become ineffective or non-functional (Malefetsane & Mafolo, 2021:2). The researcher is of the opinion that, for MPACs to hold the executive and administration accountable, they need greater independence, better resources and stronger accountability mechanisms and without these reforms, financial mismanagement in municipalities will likely persist. Mhlanga (2021:24) adds that, MPACs can identify irregularities, however, they lack enforcement powers and depend on council resolutions and law enforcement agencies to act.

2.4.2 Municipal Council

It is explained by Mbatha (2020:14) that it is the Municipal Council's responsibility to undertake the necessary steps to implement the regulations that govern its operations by adopting relevant policies, resolutions and budgetary measures. In accordance with section 59 of the Local Government: Municipal Systems Act 32 of 2000, municipalities are permitted to delegate specific powers and responsibilities to qualified officials capable of enforcing these regulations, such as building control, environmental health, traffic by-laws, and public safety standards. Additionally, public officials must undergo appropriate training, often facilitated through workshops provided by the National Treasury, to ensure that they can effectively implement financial and operational plans within the municipality or its entities. This process supports the enforcement of regulations, necessary updates or improvements and includes the obligation to prepare and submit reports complete with recommended solutions to the elected municipal council or board of directors. The municipal council or board of directors are then responsible for formalising the required resolutions, policies and budget allocations (Mbatha, 2020:14).

The above views suggest that the municipal council is there to serve the community and thus it should hold the executive political leaders accountable for their acts. Providing political supervision of the municipality's operations, programmes and administration are all responsibilities of the municipal council. It is evident that, although political office holders (such as mayors, or executive mayors, speakers and municipal councillors) are accountable for overseeing the municipality's financial and administrative performance, the municipal council should also hold the accounting officer and other relevant municipal officials accountable for how they handle the financial and administrative operations of the municipality.

The challenge of politicians in council in holding those in the executive accountable, especially when they are from the same political party, is according to Van der Waldt (2015:52), that the lack of separation of powers can lead to political interference, which may hinder a council's capacity to carry out effective oversight. Ensuring that municipal administration operates independently of political influence, is crucial as it allows officials to express their support or concerns freely, without the risk of intimidation or retaliation.

2.4.3 Audit Committee

The oversight committee and the audit committee are required to function independently and report directly to the accounting officer, in accordance with the Treasury Regulations 3.1.10. These mentioned committees are tasked with evaluating various risks that may arise within a government institution and its operational processes. They also provide investigative support to the accounting officer, including evaluating whether the institution is utilising its resources with efficiency and effectiveness. Key responsibilities of the audit committee include ensuring compliance with applicable laws and regulations, conducting computer and forensic audits and monitoring internal controls (Mbatha: 2020:14).

Mbatha (2020:14) further mentions that the audit committee comprises a risk-focused unit and related programmes specifically designed to support the accounting officer while keeping the audit committee informed of internal plans and risk management efforts. The audit committee plays a critical role in guiding municipalities in relation to financial oversight and the management of risks.

It can be noted from the above that the audit committee contributes to the improvement of corporate governance in a municipality. The audit committee aids local government in making decisions regarding financial and risk management. While the audit committee and oversight committee are critical for accountability, their effectiveness depends on genuine independence from executive influence, adequate resources (skills, budget and technology) and strong enforcement mechanisms to act on audit findings.

2.4.4 Municipal Budget and Treasury Office

According to the MFMA, every municipality is required to establish a budget and treasury office. The budget and treasury office must include a chief financial officer, relevant office bearers and any individuals appointed by the municipal council. Section 81(1) of the MFMA assigns the chief financial officer the responsibility to manage the municipality's budgeting process, which includes the budget for the treasury office itself. The accounting officer relies on the chief financial officer for guidance when performing duties in accordance with the act and the chief financial officer plays a key role in supporting the accounting officer with the planning, budgeting and financial management of the municipality. Senior officials also seek the chief financial officer's advice when carrying out their delegated responsibilities. In line with Section 78(1) of the MFMA, both senior managers and the municipal manager must ensure sound financial management practices are in place. This includes the development and maintenance of financial systems and internal controls designed to prevent unauthorised or irregular expenditures and to uphold legislative compliance, particularly with the requirements of section 79 of the MFMA concerning municipal financial management (Mbatha, 2020:15).

From the above it can be deduced that the budget and treasury office has a role in improving overall financial governance within municipalities. The budget and treasury office oversees financial control systems to maintain an effective and transparent system of financial management and internal controls. This means that the budget and treasury office has a role to provide strategic guidance on financial planning, financial management and accounting in a municipality.

The next section discusses procurement processes in the public sector.

2.5 PROCUREMENT PROCESSES IN THE PUBLIC SECTOR

Public procurement plays a vital role in a country's economy and public spending, serves as a key measure of government effectiveness and is essential to delivering public services (Fourie & Malan, 2020:1). Public procurement according to Manyathi (2019:120), is the process of acquiring goods and services to satisfy institutional needs. The public sector depends on quotations and tenders to procure goods and services needed to better the lives of citizens and the public sector procurement processes are guided by rules, regulations and principles. The Constitution of the Republic of South Africa, 1996 in section 217, stipulates that when a national, provincial or local government sphere, or any other institution designated by national law, enters into a contract for goods or services, it must do so in conformity with a system that is just, equal, open, competitive and economical. The Constitution of the Republic of South Africa, 1996 indicates that public procurement procedures are guided by legislations to control the procurement processes (Manyathi, 2019:120).

To meet the needs identified in the institution's strategic plan, it is necessary to follow a procurement process explained below.

2.5.1.1 Procurement planning

Procurement planning is conducted at the start of each financial year, with input from key stakeholders such as the chief financial officer and user departments. The procurement unit is thus required to closely collaborate with all user departments to develop a complete procurement plan for the year. Procurement planning includes analysing the required goods, services and works by reviewing past expenditures on each item. Following this analysis, a plan is created to acquire the identified goods, services and works which involves selecting an appropriate sourcing strategy (National Treasury, 2011:1).

2.5.1.2 Acquiring the required goods, services and works

Together with the end-user, the procurement unit should use strategic sourcing to determine the most effective way to acquire the needed goods, services and works. This includes market research, budget confirmation, selecting the appropriate procurement method, assessing demand frequency and identifying supplier lead times (National Treasury, 2015:16). Acquiring the required goods, services and works

involves preparing requests for written price quotations, advertising bids and evaluating submissions of written price quotations and bids. Role players involved in the procurement process are responsible for ensuring that procurement procedures are fair, transparent, equitable and cost-effective (Ndlovu, 2017:34).

2.5.1.3 Assessment and evaluation of written price quotations and tender documents

The evaluation of written price quotations and bids according to National Treasury (2022:8) should be done according to the 90/10 (for tenders) or 80/20 (for written price quotations) point scoring. For quotations below the value of R30 000, the 80/20 preference point scoring system applies (National Treasury, 2022:8). For tenders with the value above R30 000 and up to R1 million, the 90/10 preference point scoring system applies. The 80/20 system works in the following manner: 80% of the points scored for the tender are awarded for price, while 20% of the points are awarded based on the specific goals. The 90/10 works in the following manner: 90% of the points scored for the tender are awarded for price, while 10% of the points are awarded based on the specific goals. Specific goals relate to historically disadvantaged individuals; women; youth; disability; military veterans and locality (National Treasury, 2022:8). The tables below show the specific goals and the calculations of the score out of 20 points and 10 points for specific goals.

Table 2.1: Specific goals for 80/20-point scoring system

SPECIFIC GOALS	NUMBER OF POINTS
Historically Disadvantaged Individuals	4
Women	4
Youth	4
Disability	4
Military Veterans	2
Locality	2
TOTAL	20

Source: (National Treasury, 2022:8)

Table 2.2: Specific goals for 90/10-point scoring system

SPECIFIC GOALS	NUMBER OF POINTS
Historically Disadvantaged Individuals	2
Women	2
Youth	2
Disability	2
Military Veterans	1
Locality	1
TOTAL	10

Source: (National Treasury, 2022:8)

A Companies and Intellectual Property Commission (CIPC) certificate and/or copies of identity documents; a military veteran certificate; a medical certificate for proof of disability and municipal accounts or proof of address are the specific goals' supporting documents needed to confirm that claimed points are in compliance with the standards (National Treasury, 2022:8). Each criterion's weight should not be given a general value, rather, it should be decided uniquely for each bid on an individual basis. The applicable values for each criterion should be based on objective criteria such as the specific goals' supporting documents. Failure by the bidder to submit the required documents for claiming points for specific goals should result in the tenderer forfeiting any points that they would have qualified for (National Treasury, 2022:8).

The aforementioned indicates that the main objective of the South African government regarding procurement is to establish an environment that would enable developing businesses and small, medium and micro enterprises to participate meaningfully in public procurement. This can be accomplished by giving preference to companies owned and managed by people who were previously disadvantaged during the colonial and apartheid regimes. The following are examples of how the 80/20 and 90/10 point-scoring systems work in practice: a female business owner who is historically disadvantaged, above the age of 35 (for claiming points for youth), not a

military veteran, disabled and resides within the municipality advertising the tender will score seven out of the ten points for specific goals for the 90/10-point scoring system and 14 out of the 20 points for the 80/20-point scoring system. A female business owner who is above 15 years of age and below the age of 35, disabled, not a military veteran, not historically disadvantaged, not a military veteran, resides within the municipality advertising the tender will score seven points for specific goals for the 90/10-point scoring system and 14 points for specific goals for the 80/20-point scoring system.

The new specific goals do empower women, youth, historically disadvantaged individuals, people living with disabilities, military veterans and service providers residing within the municipalities. The cheapest bidder in terms of price might not be the one awarded the tender if the second cheapest bidder in terms of price, scores more points on specific goals and ends up with the highest points. The researcher will investigate how the new specific goals implemented have empowered service providers at the Raymond Mhlaba Local Municipality, by collecting data through interviews with participants dealing with tender evaluations.

According to the Preferential Procurement Regulations, 2022, a bidder who does not have points on specific goals is not excluded from the tender process; however, they would only be able to score points on pricing. A tender should be awarded to a bidder who receives the highest score, although there are exceptions to the rule. The exceptions to the rule apply if the successful bidder does not meet the following requirements: capacity to execute the contract; is not tax compliant; is not registered on the Central Supplier Database (CSD) and is employed by the state. The aforementioned exceptions would disqualify a bidder who receives the highest score.

2.5.1.4 Awarding to the successful bidder

Manyathi (2019:85) provides that, after the process of scoring and evaluation is done, the bid adjudication committee discusses proper procedures that the bid evaluation committee should follow and examines the report submitted before awarding the tender contract to the bidder. Bizana (2019:48) asserts that, the bid adjudication committee awards the tender to the successful bidder based on the recommendations

of the bid evaluation committee. An award letter is drafted and signed by the winning bidder to confirm acceptance of the tender.

It can be noted that, all the above-mentioned steps are important during procurement processes and each step is to be given equal importance. If the above steps are not carried out adequately on the grounds of transparency, equality and fairness, the whole procurement process may suffer.

The below section discusses challenges faced by the South African public sector when procuring goods and services.

2.6 CHALLENGES FACED BY THE SOUTH AFRICAN PUBLIC SECTOR WHEN PROCURING GOODS AND SERVICES

Molokomme (2019:3) provides that despite the adoption of fundamental procurement reforms since 1994, dilemmas in public procurement processes persist and government initiatives to promote public procurement processes have failed to yield the desired outcomes. Some of the reasons cited for these failures are incidences of tender irregularities, flouting of rules intended to prevent working with restricted suppliers, failure to follow the correct procurement processes and underperformance of suppliers. All these above-mentioned reasons for failures in procurement processes are detrimental to service delivery. Similarly, Fourie and Malan (2020:1) argue that, despite numerous reforms in South Africa's public sector procurement and SCM as a strategic policy tool, South Africa's public procurement system continues to face significant challenges and has been heavily criticised.

Challenges faced by South Africa's public sector when procuring goods and services are discussed below.

2.6.1 Lack of knowledge, skills and capacity

A lack of skilled personnel to implement legislation and municipal finance development programs remains a major challenge for local municipalities in South Africa. Effective financial management requires placing qualified individuals in key roles and focusing on consistently building internal capacity, rather than depending on external support such as consultants. Many municipalities, however, face difficulties in strengthening

their internal capacity due to limited budgets, which negatively affect both productivity and efficiency (Mbatha, 2020:16).

Gabela (2019:12) recommends that, to enhance service delivery, it is important that officials carrying out public procurement processes are competent. In-house training and workshops have been provided for many officials dealing with procurement processes, however, not much has been accomplished in terms of performance. The most neglected step in the training process is training assessments. Many institutions lack a mechanism to assess the results of training and development and fail to evaluate their efforts and training, while those that do, consistently do so insufficiently. Government has launched some training programmes but most of the time they are never successfully implemented because these programmes never take place and are often poorly coordinated (Gabela, 2019:12).

Enwereji and Uwizeyimana (2019:147) argue that municipal officials' skills development is essential to improve the provision of public goods and services. Employee education in gaining new knowledge and abilities to carry out particular duties requires training at its core. Training government employees helps them build the mental skills they need to complete a task with little difficulty and given the changes in technology settings, public officials must be knowledgeable about how to use contemporary technologies, which seem to be taking over many government operations.

From the researcher's analysis, the persistent issue of skills shortages in South Africa's municipalities, has a negative impact on financial management, service delivery and public procurement performance. The above views highlight that a lack of skilled personnel hinders the implementation of legislation and finance programs. Without the right expertise in key positions, municipalities struggle to manage their finances effectively and are forced to rely on external consultants, which is neither sustainable nor cost-effective as noted by Mbatha (2020:16).

While in-house training and workshops are provided, Gabela (2019:12) notes that the failure to evaluate the impact of training undermines its effectiveness. Training assessments which are critical for measuring progress are often overlooked or poorly

executed, leading to minimal improvement in performance. Mkhize (2018:15) asserts that due to the poor execution of training assessments, managers must utilise systems for assessing performance. Mehale, Govender and Mabaso (2021:3) add that, training assessment is essential to offer feedback on how effectively a specific training program was delivered and that its main goal is to assess whether participants have gained new knowledge and skills because of the training. It also helps determine if the training program's design and implementation met the intended objectives. Enwereji and Uwizeyimana (2019:147) stress that, continuous education and training are essential for enabling public officials to adapt to evolving demands, especially considering technological advancements. Skilled personnel are necessary to provide quality public services and operate effectively in modern governance environments.

The researcher will investigate if training assessments are done at the Raymond Mhlaba local municipality to assess if the training and workshops provided to employees have proven to be effective and investigate if the employees have relevant work experience.

2.6.2 Non-compliance with procurement policies and regulations

Sibanda *et al.* (2020:5) observed that, every year, local governments are subject to qualified audit opinions because of not complying with policies and regulations governing procurement processes. Qualified audit opinions mean that, specific items in the financial statements are materially misstated or there is insufficient information to support the conclusion that those amounts are not materially misstated. According to Zitha, Sebola, and Mamabolo (2016:68), other instances of non-compliance to procurement policies and regulations include producing deviations without valid reasons, not applying the preference points system, non-existence of a supplier database, contracts being awarded to bidders who scored the lowest, not requesting valid tax clearance certificates from suppliers and failure to verify the recommended supplier's details on the CSD before awarding a contract. Bizana (2019:60) argues that violation of procurement and SCM policies and regulations results in tender irregularities, which ends up compromising service delivery.

With reference to the above- mentioned views, it is noticed that, for lawful procurement procedures to be followed, the public sector during procurement processes is

mandated to comply with procurement policies, laws and regulations. The above-mentioned authors mentioned the reasons for non-compliance with procurement processes and violation of procurement policies and regulations results in tender irregularities which end up compromising service delivery. Qualified audit opinions serve as red flags pointing to deeper governance and operational failures and to address this, municipalities need to strengthen internal controls, enforce procurement policies and improve staff competence in procurement to ensure that public funds are used effectively and ethically.

2.6.3 Lack of accountability in procurement processes

Accountability is vital in determining the quality of governance according to Sibanda *et al.* (2020:5) since it fosters solid municipal financial management and promotes good governance. The goal of accountability is to make sure that people in positions of authority act appropriately so they can take responsibility for their deeds or inactions. Accountability promotes sound financial management and ethical governance. Kiawa (2021:52) suggests that accountability systems must be put in place as public procurement constitutes a large portion of public funds. Sibanda *et al.* (2020:5) argue that lack of accountability and effective disciplinary systems add to the failure of municipalities to carry out their duties. Kiawa (2021:53) explains that accountability requires that if a person entrusted with responsibility fails to carry out that responsibility, they must account for failing to perform the task and sanctions should be imposed on them.

From the above discussion it can be deduced that, lack of accountability is at the heart of persistent poor public services, financial mismanagement and corruption in the South African public sector. Enforcing accountability ensures that public officials act in the interests of the citizens that they serve and not in their own interests. Accountability is essential in building trust in government and without accountability, there is no public trust. The researcher suggests that effective internal governance controls, processes and institutions, democratic oversight institutions such as Parliament, the Auditor-General, the Public Protector, non-state oversight institutions like the media, civil society, ordinary citizens and the enforcement of consequence management for wrong doing are all necessary components for a strong accountability ecosystem that includes legal reporting frameworks.

2.6.4. Poor contract management

Inadequate contract management can lead to payments for goods and services that do not meet the agreed-upon standards outlined in the contract (National Treasury, 2010:6). Poorly managed contracts may have a detrimental effect on service delivery, leading to strained relationships with stakeholders and underperformance by service providers. In addition, it may result in negative public perception and ineffective contract management also contributes to substandard service delivery, budget overruns and failure to meet required specifications (Jacobs, 2021:28).

Based on the above it is evident that, poor contract management undermines the quality of public services. Effective oversight, skilled service providers and strong contract enforcement are essential to ensure that public funds are used efficiently and that communities receive the services they are promised.

2.6.5 Unethical behaviour

In the context of good governance, Sibanda *et al.* (2020:3) provide that, ethics can be understood as a set of moral obligations, moral principles, attitudes, norms and standards that serve as acceptable conduct. It is behavioural rules that public officials must adhere to in order to make sure that their actions are always directed toward promoting, achieving, maintaining and enhancing the overall welfare of society. Fourie and Malan (2020:16) equate the unethical behaviour of procurement officials with corruption, fraud and bribery, all of which negatively impact service delivery quality. To address unethical behaviour in the workplace, Ndlovu (2021:19) provides that, researchers and professionals have emphasised the importance of effective leadership, highlighting that leaders should actively promote ethical standards within the public sector. Ngubane (2021:1) contends that, the high levels of unethical behaviour in South African organisations call for leadership grounded in strong moral and ethical values. Despite the existence of codes of conduct within local government, unethical practices continue to escalate, undermining public trust and triggering protests over inadequate service delivery.

The above suggests that unethical behaviour still prevails in the South African public sector. The above views highlight the critical role of ethics in good governance, defining it as a framework of moral principles guiding public officials to prioritise

societal welfare. Fourie and Malan (2020:16) directly link unethical conduct such as corruption to procurement failures and poor service delivery. While scholars like Ndlovu (2021:19) and Ngubane (2021:1) advocate for ethical leadership as a corrective measure. The persistent misconduct in South African local governments, despite existing codes of conduct, reveals systemic implementation gaps. This ethical deficit erodes public trust and fuels service delivery protests, underscoring the urgent need for leaders to model and enforce moral values institutionally. The above views expose a disconnect between policy and practice, where ethical frameworks exist but lack enforcement mechanisms and cultural buy-in to effect meaningful change.

The next section discusses ethical conduct in the public sector.

2.7 ETHICAL CONDUCT IN THE PUBLIC SECTOR

Section 195 of the Constitution of the Republic of South Africa, 1996 mandates the promotion and upholding of a high level of professional ethical conduct within public administration and also emphasises that public administration should be development-focused. In this context, ethical professionalism is essential to foster timeliness, efficiency, effectiveness and integrity within the public sector. This, in turn, supports good governance and creates a conducive environment for sustainable economic growth and therefore, applying ethical principles in the public sector is essential (Langbooi, 2023:6). Citizens are entitled to the fulfilment of their basic needs, including access to social welfare services, the maintenance of law and order, provision of security and the protection of human rights, as enshrined in the Bill of Rights in the Constitution of the Republic of South Africa, 1996 (Republic of South Africa, 1996:4).

As noted by Amundsen and Pinto (2019:34) an institution's processes and procedures are governed by its guiding principles, regulations and values. Mabunda (2020:28) is of the opinion that, guidelines are necessary in the public sector because they promote a particular work ethic and urge politicians and government employees to act ethically. Shava (2021:43) affirms that public officials must preserve moral principles in the performance of their public duties to improve the delivery of public services to the citizens they serve. It is argued by Sebola, Moloto and Mamabolo (2024:408) that public officials in the South African public service play a crucial role in carrying out the public service's responsibility for development, delivering public services efficiently and delivering public programs to citizens. At present, communities show a clear lack

of trust in public officials and politicians, who are meant to serve them. The ethical behaviour of public servants plays a crucial role in establishing and maintaining that trust.

According to the Financial Disclosure Framework (2021:3), public officials are required to disclose their financial interests, gifts received from non-family members, shares, directorship and partnership in any business venture. Zitha *et al.* (2016:64) posits that, a code of conduct refers to guiding principles, values, standards or rules of conduct directing an institution's decisions, procedures and systems in a way that promotes the welfare of its key stakeholders and upholds the rights of all its constituents who are impacted by its operations. The creation of a practical moral judgement framework for public personnel management is the aim of an ethical code of conduct. In the South African public sector, there are codes of conduct at every sphere of government (Zitha *et al.*, 2016:64). Ethical conduct is a key component of effective governance and as such, public officials must enhance their performance in delivering public services, which depends significantly on maintaining ethical standards (Govender, Jahed & Auriacombe, 2023:154).

The above discussion underscores the vital role of ethical conduct in public administration as mandated by section 195 of the Constitution of South Africa, 1996 which calls for professionalism, ethics and a development-oriented approach. Ethical behaviour promotes values like efficiency, integrity and accountability, essential for restoring public trust and achieving effective, citizen focused service delivery. The above authors highlight the importance of ethical guidelines and codes of conduct in fostering a culture of transparency and responsibility. Despite existing frameworks, public distrust indicates a gap between expected and actual ethical behaviour. Therefore, ethical conduct is both a constitutional obligation and a practical necessity for improved governance and national development. In the researcher's view, the above emphasises that ethical conduct is not optional but a constitutional and operational requirement for effective public service. Upholding high ethical standards is critical to enhancing performance, public confidence and ultimately, the developmental goals of the South African state.

Identifying causes of unethical behaviour helps to put measures in place to address these causes. Causes of unethical behaviour are discussed below.

2.8 CAUSES OF UNETHICAL BEHAVIOUR

The persistent occurrence of unethical behaviour indicates that it is not being effectively managed (Nyamutswa, 2022:8). There are causes of unethical behaviour that might be viewed as contributing to unethical behaviour and these are discussed below.

2.8.1 Complex legislation

Ineffective legislation can encourage authoritarian governance, as a small group of government elite pass laws at the expense of the general populace for their own self-interest. Politicians in South Africa, who lack experience and have had inadequate training, are unable to develop good legislation. When legislation is relatively difficult to apply, it becomes challenging for public authorities to put it into practice. The rule of law may be undermined by legislation that is challenging to understand, filled with intricate technical details and leaves possibility for immoral behaviour (Maape, 2018:74).

In the researcher's opinion, technical details in legislation that are not easy to understand may lead to confusion and make it challenging to apply the legislation and present opportunities for unethical behaviour. The above argument regarding ineffective legislation encouraging authoritarian governance is grounded in the real challenges faced by many emerging democracies, including South Africa. Without effective, transparent and enforceable laws, governance becomes prone to manipulation thus eroding public trust and contributing to authoritarian tendencies. To address this, there needs to be a focus on improving legislative quality, increasing transparency and fostering accountability at all levels of governance. Only by strengthening both the legal framework and the capacity of those who implement it can South Africa ensure that its democracy thrives and that the rule of law remains a pillar of good governance.

2.8.2 Deficient control and accountability

Effective procedures and accountability depend on effective control and accountability, yet having too much control may be just as harmful as having none. Processes and control mechanisms must mesh well with individuals in charge of putting them into action otherwise everyone may reject them. To ensure accountability from public servants, institutional mechanisms must be put in place because the lack

of control could be used by dishonest public servants to their own advantage (Shava, 2021:20).

The purpose of policies, rules and processes in the public sector is to ensure responsibility and control. From the above it can be deduced that, if appropriate control procedures are not followed or implemented properly, dishonest public servants may take advantage of the circumstance. It can be noted from the above the importance of finding the right balance between control and accountability in governance. Too much control can lead to inefficiency and resentment, while too little can lead to corruption and lack of public trust. To ensure public servants are accountable, strong institutional mechanisms, ongoing training, and proper oversight are needed. Governance systems must be designed with the right blend of structure and flexibility to create a fair, effective and accountable public sector that truly serves the people.

2.8.3 Insufficient supervision

Supervision is crucial to maximise an institution's success. A public institution's potential success may be hampered by poor supervision and environments without supervision have no safeguards against issues, errors, accidents and injuries. Without loyalty, public officials are more likely to stray from acceptable standards, encouraging unethical behaviour such as theft, the unauthorised use of equipment and falsifying official documents, among other things (Mabunda, 2020:28).

On the basis of the above it is noted that, lack of supervision may hinder the success of the public service. Public servants may see a gap to move away from acceptable standards when there is no supervision and invite unethical behaviour such as stealing, using equipment that is not authorised and falsifying official documents. It is evident that supervision is essential in public institutions to ensure ethical conduct and good governance.

2.8.4 Weak organisational structures

Gwanzura (2018:75) observes that, inadequate supervision, obsolete or insufficient policies and processes, excessive discretion and inefficient delegation are some institutional characteristics that may foster an environment that supports unethical behaviour. When the individual to whom a task has been delegated is unable to do it, there may be an issue with the delegation process and this happens often when government employees are ill-equipped or inexperienced for the job. When the rules of delegation are broken, both leaders and employees frequently act unethically and

the situation gets worse when there is a lack of control over the authority that has been transferred or when the recipient of the authority is not made apparent, as this gives corrupt officials or inexperienced public officials broad discretion (Gwanzura, 2018:75). Organisational structure plays a fundamental role in driving organisational performance and in fact, it can be considered the most crucial element in helping the organisation achieve its goals and objectives (Nene & Pillay, 2019:10).

From the above, it is clear that in the absence of appropriate institutional structures, service delivery may be compromised and a poorly managed institution renders services ineffectively or not at all. If an official's performance is not assessed, officials may take advantage of not being assessed and be incompetent and fail to carry out the tasks expected of them.

2.8.5 Psychological factors

Psychological factors involve the perception that the ethical code is emotionally challenging, problematic and contentious due to its multiple interpretations and the absence of agreement among practitioners on what constitutes ethical and unethical behaviour (Pretorius 2021:4). All humans, to some degree, possess weaknesses like the desire for power, jealousy or greed and when faced with situations that trigger these flaws, individuals might be inclined to prioritise personal gain over the public good. For this reason, public officials must remain vigilant and actively avoid such scenarios whenever they can (Motshwane, 2018:57).

The above highlights the complexity of ethical behaviour in public service by focusing on two key influences: psychological factors and human vulnerability. Ethical codes are often perceived as emotionally taxing and are open to varied interpretations, which creates confusion and inconsistency among practitioners. This lack of consensus can undermine ethical decision making. Furthermore, the above acknowledges that innate human flaws such as greed, envy and the desire for power can lead individuals to prioritise self-interest over public responsibility. In the context of public administration, such tendencies pose a serious risk to integrity and accountability. In the researcher's opinion, to address the above, the discussion above emphasises the need for self-awareness and vigilance among public officials. Recognising and managing these psychological and ethical challenges is essential to maintain public trust and ensure responsible governance.

2.8.6 Lack of ethical awareness

It is critically important to recognise that for public service institutions to effectively uphold ethical and professional behaviour, they must clearly understand the standards that define acceptable conduct. Identifying and distinguishing appropriate ethical and professional practices within the institution is essential and promoting awareness of these ethical and professional codes in the workplace is crucial (Langbooi, 2023:58).

Based on the above it is clear that, for quality services to be rendered to citizens, public servants need to be sensitive enough to ethical aspects of their work and without ethical awareness in the public service there will be a rise in ethical dilemmas. An improvement in communication is essential to ensure that public servants understand ethical implications of their profession.

2.8.7 Insufficient benefits and remuneration

Since the government is struggling to manage the uncontrollable salary bill, underpaid public officials are easily influenced by dishonest and dishonourable motives like bribes and self-enrichment. Having to work a second job to assist pay their basic bills diverts public employees who are demotivated by their salary levels from their employment (Shava, 2021:20).

From the researcher's analysis, the above underscores a systemic issue where financial insecurity among public officials leads to corruption and poor performance, ultimately affecting the delivery of public services. It calls for structural reforms in how government compensation is managed, as well as a focus on ensuring that public servants have the financial security and motivation to perform their duties with integrity. Without such reforms, the government may continue to struggle with inefficiency and ethical lapses in the public sector.

Ethical dilemmas during procurement processes are discussed below.

2.9 ETHICAL DILEMMAS IN PROCUREMENT PROCESSES

Ethical dilemmas in procurement processes have the following form:

2.9.1 Conflict of interest

Treasury Regulations 2003 obliges SCM officials to report to the accounting officer any business, commercial and financial interests or activities conducted for financial benefit that may generate a probable conflict of interest (National Treasury, 2003). Thomas (2019:420) argues that since government relies more largely on contractors

for goods and services, government must make sure that procurement processes are competitive and not jeopardised by outside interests. During procurement processes, procurement officials should declare any possible conflicts of interest.

In the researcher's opinion, to avoid any potential conflicts of interest at a later stage, every decision-maker during the tender stages, not only procurement officials, should disclose all of their business interests. Disclosing business interests would lessen the impact of unethical behaviour, having an influence on government tenders.

2.9.2 Fraud and corruption

Fraud and corruption in the public sector have been persistent issues affecting governments since the establishment of formal public administration systems. It appears that certain public officials and political leaders actively seek out weaknesses in public sector laws, which they exploit to divert public funds for personal gain (Sithole, 2023:2). Fraud according to Ndlovu (2021:27) is characterised by financial crimes such as money laundering and the manipulation of financial records for personal benefit. Corruption according to Dhlamini (2024:17) refers to the dishonest use of public power or influence for personal gain.

In the researcher's view based on the above, the public sector should tighten its protocols and procedures to combat fraud and corruption because it is now widely acknowledged that this is one of the biggest difficulties facing the public service. Furthermore, as noted by Sibanda *et al.* (2020:6), inadequate internal controls are a factor in the increase of fraud and corruption cases in municipalities. The above outlines the enduring nature of fraud and corruption within the public sector, tracing these issues back to the inception of formal public administration. It emphasises that certain public officials and political leaders exploit legal loopholes to misappropriate public resources, revealing a deliberate and systemic abuse of power. Furthermore, the above highlights that fraud often involves complex financial crimes such as money laundering and falsification of financial records. The above also highlights that corruption in the public sector is a long-standing, deliberate abuse of power by officials who exploit legal gaps to misuse public resources. These actions not only violate ethical and legal standards but also weaken institutional integrity, drain public resources and undermine service delivery.

2.9.3 Fronting

Bowen (2017:196) affirms that fronting is the practice of creating numerous phony partnerships and joint ventures so that points under the preference system can be allocated without helping the government achieve its preferential policy goals. Fronting is a tactic often used by businesses owned by white people to gain a competitive advantage in getting tenders by registering black people as shareholders and directors of their companies. Fronting refers to a purposeful violation of the B-BBEEA. Fronting or lying and spreading false information, is the most common type of fraudulent behaviour in procurement processes (Bowen, 2017:196).

The above highlights fronting as a deceptive strategy used to manipulate South Africa's Broad-Based Black Economic Empowerment Framework, allowing companies, often white-owned, to falsely appear compliant with B-BBEE Framework by appointing black individuals as nominal shareholders or directors. These individuals typically lack real influence or benefit, undermining true transformation goals. Fronting is described as a common form of fraud in procurement thus contributing to corruption, weakening public trust and hindering genuine economic empowerment.

2.9.4 Unethical leaders

Gwanzura (2018:80) affirms that ethical leadership involves showcasing appropriate behaviour by setting an example through one's own actions and interpersonal interactions and the promotion of such conduct to followers through two-way communication, reinforcement and decision-making. Leaders are viewed as being in charge of setting the moral norms that guide how subordinates behave in the public sector. Leaders are influencers in shaping ethical conduct within public institutions (Gwanzura, 2018:80). By exhibiting the virtues of integrity, community-centeredness, accountability, dedication and courage, an ethical municipal leader sets an example through their leadership. An ethical municipal leader ensures the management of the municipality's ethical standards and ensures that they are regulated in a manner that fosters an ethical culture. An ethical municipal leader encourages civic ethics in the community (The Ethics Institute, 2023:12).

It is indicated from the above that, a leader's actions and behaviour that are not only immoral but also frequently unlawful, show a shocking desire to encourage unethical

behaviour in their followers. Unethical leaders impose procedures and frameworks that encourage followers to act unethically. The public service needs ethical leaders who maintain high moral standards and promote ethical conduct to followers, thereby improving good governance. For ethical leadership to be effective, it must be demonstrated consistently, reinforced through decision-making and actively promoted through two-way communication. Ultimately, ethical leadership is not just about personal integrity but about institutionalising ethical behaviour and creating an environment where good governance and public trust can thrive.

2.9.5 Bribery

Bribery is a widespread ethical challenge commonly found in corporate settings, contributing to a range of moral concerns. It is a form of corruption where those in authority are repeatedly swayed by the offer of valuable rewards or incentives from those seeking undue influence (Wimalasuriya, 2023:2).

From the researcher's view, bribery in procurement processes poses a serious ethical threat, as it compromises fairness, transparency and value for money in public procurement. When officials accept bribes in exchange for awarding tenders or contracts, it leads to biased decision-making, inflated costs and substandard service delivery. This not only undermines public trust but also distorts competition and promotes a culture of corruption.

2.9.6 Political influence

Political influence happens when politicians are involved in the selection of successful bidders and the procurement processes. Politicians in South Africa are appointed under the Public Service Act, 103 of 1994, not under the Public Service Labour Relations Act, 105 of 1994. Due to their appointment status, politicians are not to participate in tender processes and particularly not be members of the tender committees. Political influence, in the opinion of the researcher, is the illegal use of authority by political office bearers for personal advantage. Political corruption is only present when an officeholder does unlawful acts that are related to his/her duties (Shava, 2021:12).

The researcher emphasises that, political influence in procurement processes is both a legal and ethical issue, which undermines the integrity and efficiency of public procurement systems. When politicians, especially those in high offices, engage in or influence procurement decisions, they create an environment where corruption and unlawful practices can thrive. To preserve the public trust, and to ensure fairness and promote good governance, political figures must remain independent from the procurement process. Robust legal frameworks, independent oversight and ethical leadership are critical to preventing political interference and ensuring that public procurement serves the public good rather than private or partisan interests.

The next section provides measures and institutions to ensure ethical conduct.

2.10 MEASURES AND INSTITUTIONS TO ENSURE ETHICAL CONDUCT

Maape (2018:74) provides that it is important to take particular precautions to eliminate the root causes of unethical behaviour to ensure excellence in public service management. In a democracy, government has a responsibility to interact with citizens and to ensure they comply with legally enforceable requirements resulting from government policy, such as taxation and legislation. Citizens also have a right to information about government policy, acts and viewpoints. In order to exercise their democratic right to decide whether they agree or disagree with the government's policies and decisions, citizens require knowledge of what their rights and obligations are (Gwanzura, 2018:80).

The identified strategies to curb unethical behaviour in the public sector in South Africa are discussed below.

2.10.1 Legislation and the judiciary

The Constitution of the Republic of South Africa, 1996 is the highest authority in South Africa and provides the basis of what is considered ethical according to national norms. The judicial system is one of the main monitors of managers' conduct and a court's order or decision is binding on all individuals and state organs to whom or to which it applies. In South Africa, judicial authority is vested in independent courts and if legislation is unclear, the courts will consider both the legislature's intention and the legislature's fairness (Motshwane, 2018:57).

From the researcher's opinion, accountability is required from elected officials, including the president and members of parliament, who are supposed to act in the interests of the citizens they serve. Despite having the judicial system, whose responsibility is to make sure that elected officials account for misusing public funds and do not act improperly or unfairly towards constituents, accountability crises have occurred countless times in South Africa. Evidence provided by Madonsela (2019:113) shows that in South Africa, institutionalised governmental corruption evolved into the *state capture* phenomenon during the period between 2009 and 2018, particularly under the presidency of Jacob Zuma. The repurposing of a nation's institutions for private, individual purposes is known as state capture. Public interest is abandoned in favour of private financial benefit for a select group of connected parties across the public and private sectors during this process.

2.10.2 Public Service Commission

The Public Service Commission is established in terms of chapter 10 of the Constitution of 1996. The role of the Public Service Commission is to advance the fundamental principles of public administration and values in the public service (Botes, 2018:57). As it establishes guidelines for moral behaviour, the Public Service Commission plays a crucial role in the creation of the public service's code of conduct, which serves as the framework for the integrity of the public service (Maape, 2018:75).

The researcher's view is that, even though the Public Service Commission establishes guidelines for ethical behaviour in the public service, it is the responsibility of public servants to apply these guidelines and commit to act ethically.

2.10.3 Training and guidance

Shava (2021:7) asserts that, municipal official's training could encourage moral behaviour because it would provide the municipal officials with information on how to conduct themselves in an ethical manner. Ethics should constantly be covered during public official growth and training. This would involve instruction on morals and the range of acceptable conduct. In addition to helping officials develop their skills, training would assist them in meeting principles such as transparent governance, ethical behaviour by public officials, efficient and honest service delivery, accountability in decision-making and fair and corruption-free administration.

The researcher suggests that, from the induction stage, new employees should be educated and equipped about moral behaviour in the workplace. Management should set a good example to employees on how to behave ethically and promote ethical conduct in the workplace. Management should remind employees of consequences for unethical behaviour and enforce consequences for unethical behaviour.

2.10.4 Public Protector

Singo (2018:129) explains that, the Public Protector is an independent institution established in terms of section 181 of the Constitution of the Republic of South Africa, 1996, tasked with upholding and reinforcing constitutional democracy. As the highest authority in administrative oversight, it is empowered to investigate, report on, and take corrective action against misconduct in any area of state operations (Singo, 2018:129). The Public Protector operates as an organ of the state primarily established to address the misuse of public power. The office of the public protector describes itself as a "purpose-built watchdog" for the country, focusing on identifying and addressing improper conduct by public administrative bodies or officials (Kisten, 2021:21). According to section 182 of the Constitution of the Republic of South Africa, 1996, the Public Protector has powers governed by national legislation. These include the authority to investigate conduct within state affairs, public administration or any sphere of government that is alleged or suspected to be improper or cause prejudice; to report on such conduct and to take remedial action. In addition to these constitutional powers, further authority is provided through supplementary legislation, such as the Public Protector Act 23 of 1994, and the Executive Members' Ethics Act 82 of 1998.

Despite the broad scope of the powers of the Public Protector, there are specific limitations. Notably, the Public Protector is not permitted to investigate decisions made by the courts. From the above it can be deduced that, the role of the Public Protector in relation to this study, is to administer administrative scrutiny on acts by public officials. The goal of the Public Protector is to reduce abuses of state authority by detecting and addressing failures to provide public services by public servants and consequences thereof. The role of the Public Protector is to identify public officials involved in administrative misconduct, ensure corrective actions are taken and initiate measures to recover misused public funds. The Public Protector's office looks at

whether there are discrepancies between what the law states and what was done by public servants.

2.10.5 Public participation

Shava (2021:14) provides that the circumstances where citizens have no influence are typically those in which government performs morally the worst and is the least accountable and therefore, government at all spheres must try to make it easier for citizens to engage in administrative processes. Making public engagement in decision-making possible and structuring it such that the best decisions are reached, is important. Through engaging with communities and being aware of their needs and customs, public participation can be encouraged. Additionally, the community would be better informed about the acts and decisions made by public institutions, enabling them to monitor how officials are conducting themselves (Motshwane, 2018:57).

Zulu (2020:12) believes that public participation enhances transparency in decision-making processes while embracing the strength, quality and relevance that enables social programmes to be sustainable. The community's influence and participation hold elected leaders responsible for their actions. Adopting public engagement fosters social cohesion and establishes answers for societal issues that are pervasive in citizen's daily lives. Through public involvement, it is ensured that views from various spheres of government, citizens, organisations and private entities can give the cogent method by which most community issues will be properly handled (Zulu, 2020:12).

The researcher suggests that communities should actively participate in decisions about local governance so as to get an opportunity to voice out their concerns before resorting to service delivery protests when they are not satisfied with service delivery. Ward councillors should encourage community participation in their respective wards as public participation is crucial for ensuring accountability and transparency in government decision-making, while also fostering a sense of community empowerment. Significant challenges exist, however, such as lack of awareness, poor service delivery and insufficient engagement mechanisms. To overcome these challenges, public managers need to invest in civic education, accessible participation processes and transparent communication. Effective engagement leads to more sustainable social programs, improves service delivery and ensures that government

actions are closely aligned with the needs and values of the citizens. Ultimately, public participation plays a key role in building a stronger democracy and creating responsible governance.

2.10.6 Auditor-General South Africa

All municipalities, as well as any other public institution, are required to be audited by the AGSA pursuant to national or provincial law, are subject to the AGSA's obligation and power to examine and report on all accounts and financial statements of all accounting officers at the national, provincial and local sphere of government (Shava, 2021:14). Matlala and Uwizeyimana (2020:2) argue that it is crucial for the auditors to formulate recommendations and create performance guidance metrics to enhance public sector management. It can be deduced that the recommendations and findings of an audit can be used to enhance accountability in the public service. Matlala and Uwizeyimana (2020:2) further note that, the efficiency and effectiveness of the public service may be improved if managers can implement audit recommendations for better government performance and resource management.

The above-mentioned views of Matlala and Uwizeyimana (2020:2) then suggest that if the AGSA's recommendations are considered and put into practice on a yearly basis, there would be a decrease in negative audit findings. The issue of repeated negative audit outcomes that have already been reported supports the idea that recommendations, guidelines and red-flagged risk areas identified by AGSA, are frequently either disregarded or ineffectively corrected. The researcher suggests that managers should monitor and regularly follow-up to check whether the recommendations provided by the AGSA are implemented as that may yield positive results.

2.11 CHAPTER CONCLUSION

In this chapter, literature was reviewed that addressed control measures for ethical conduct in the public sector, oversight and accountability in local government, procurement processes in the public sector, challenges faced by the South African public sector when procuring goods and services, ethical conduct in the public sector, causes of unethical behaviour, ethical dilemmas in procurement processes and measures to ensure ethical conduct. The description of control measures for ethical

conduct focused on internal control, risk management, financial reporting, and auditing. It was mentioned that lack of effective control measures contributes towards increasing fraud and corruption in procurement processes. Strengthening control procedures and accountability frameworks can make it possible to detect and reduce fraud and corruption in procurement processes. This discussion is relevant to this study as it provides a comprehensive overview of key elements that influence ethical behaviour in the public sector. The discussion highlights how weak internal controls and accountability mechanisms contribute to fraud and corruption and emphasises the need for robust systems such as internal control, risk management, financial reporting and auditing to uphold ethical standards, particularly in procurement, where ethical dilemmas are common.

Further, literature on oversight and accountability in local government was discussed in this chapter. Oversight structures utilised by municipalities to achieve good financial management were provided with their functions. It was mentioned that oversight structures aim to ensure accountability in utilising public funds and to ensure accountability in municipal administration whilst protecting citizen's rights and privileges. This discussion is relevant to this study as it highlights the critical role of oversight and accountability mechanisms in promoting ethical governance. By examining the structures municipalities use to ensure good financial management and administrative accountability, the literature underscores how these mechanisms help prevent misuse of public funds and uphold citizens' rights. This aligns directly with the goals of ethical conduct, reinforcing the importance of transparent, responsible, and citizen-focused local government operations.

This chapter further discussed procurement processes in the public sector. A discussion on challenges faced by the public sector in procurement processes was provided. It was argued that despite the reforms in public procurement there are still predicaments during the process of procuring goods and services. There are still issues of non-compliance with procurement legislation and policies, tender irregularities, lack of knowledge, skills and capacity, lack of accountability in procurement processes, poor contract management and unethical behaviour. The chapter provided an explanation of ethical conduct in the public sector, causes of unethical behaviour were detailed, ethical issues in procurement processes were

discussed and measures to ensure ethical conduct were provided. This discussion is relevant to this study as it directly addresses key areas where ethical breaches often occur, particularly in public procurement. By outlining the procurement processes and highlighting persistent challenges such as non-compliance, tender irregularities, lack of accountability and unethical behaviour, the discussion reveals critical weaknesses in oversight and control systems. Furthermore, by identifying the causes of unethical conduct and proposing measures to promote ethical behaviour, the discussion supports the study's objective, which is to evaluate effective control and oversight mechanisms that enhance transparency, compliance and accountability in local government procurement processes.

This study on control and oversight measures for ethical conduct in procurement processes, seeks to investigate the effectiveness of the existing control and oversight measures for ethical conduct in procurement processes. At the Raymond Mhlaba Local Municipality, the researcher will further investigate the following, amongst others: if the causes of incomplete projects are a result of utilising only new contractors without work experience and expertise and how often the work done by contractors is monitored as well as how the new specific goals implemented by the National Treasury have empowered service providers. Furthermore, the researcher will investigate if training assessments are done to assess if the training and workshops provided to employees have proven to be effective.

CHAPTER THREE

REVIEW OF LITERATURE ON THEORIES OF ETHICS IN THE PUBLIC SECTOR

3.1 INTRODUCTION

Chapter three addresses literature on theories of ethics in the public sector. In an effort to understand the motivations behind a person's behaviour, a philosophical viewpoint is useful (Sobayeni, 2015:32). Moloisi and Mukonza (2019:46) explain that ethical theories serve as a foundation for decision-making when ethics are at play because they reflect the points of view that people seek for guidance when making decisions. Mahlangu (2021:91) contends that ethical theories provide a framework for ethical solutions to the challenging circumstances people face in life. Philosophers have developed theoretical methods for determining right from wrong and for providing guidelines for how to live and act ethically. Since ethical theories develop in various settings, they address various issues and stand for various moral values (Mahlangu, 2021:91). Although there is a vast family of ethical theories, the three opposing theories that will be addressed in this chapter for analysing ethical dilemmas are consequentialism, deontology and virtual ethical theories. These three theories are relevant to this study as they serve as a guide for ethical behaviour, explain the motivations behind a person's behaviour and explain the qualities of a character that constitutes a virtuous person.

The deontological theory, consequentialism theory and virtual theory of ethics are discussed below.

3.2 DEONTOLOGICAL THEORY

Kranak (2019:53) provides that Immanuel Kant, the German creator of critical philosophy in the 18th century, was the first prominent thinker to formulate deontological principles. The Greek word *deon*, which means responsibility or obligation, is where the name deontology originates and his work on people is an illustration of applied deontology. Deontology is the study of obligation and a deontological approach entails performing one's duty in accordance with recognised ethical norms. One of these tenets has a religious foundation, although that is not always the case because socialist or humanitarian viewpoints also strongly emphasise

morality, e.g. murder is one of those actions that everyone agrees is bad (Kranak, 2019:53).

Assumptions of deontological theory are discussed below.

3.2.1 Assumptions of Deontological Theory

Duigman (2011:69) contends that a duty-based philosophy known as deontology theory, places a person's moral judgments at the centre of their duties and obligations to other people. The decision-makers base their actions on the established values of loyalty, integrity and fairness. Deontology theory has the drawback that, there is no logical justification or foundation for determining a person's obligations. Contrary to consequentialist ethics (discussed in the par.3.3 below), deontological ethics contend that the fundamental standards for judging whether a course of action is ethically correct, are irrespective of the good or harm it does (Khubana, 2021:27).

Gwanzura (2018:18) argues that deontological theories might be viewed as duty-based ethical views. Deontology theory focuses on both the nature of the action and its reason to assess whether it is right or wrong. According to "non-consequentialism" in deontological ethics, some sorts of behaviour, such as breaking a commitment, are wrong in and of themselves and are not just wrong because of their negative effects. Such behaviours could be morally repugnant by nature or perhaps have some moral weight against them. Sobayeni (2015:36) asserts that a traditional deontological argument holds that there are moral limits on pursuing desires such as love, happiness and serenity. Proponents of deontology argue that some actions are inherently morally right or wrong, meaning their moral character is determined by their nature, independent of the outcomes they produce. For instance, intentional dishonesty or humiliation is considered morally wrong. Moreover, deontologists base their decisions on the moral rights individuals possess, maintaining that everyone has the right to be treated in ways that uphold their dignity.

According to deontological ethics, individuals have a responsibility to respect other individuals' rights and treat them with dignity. People have a responsibility not to engage in certain behaviours because they are essentially bad, such as lying, breaking promises or murder. Kant held that moral behaviour should not be influenced by inclination, feelings or consequences and this implies that the basis for motivation for

action must be duty. Deontological ethics evaluates an act's moral worth by considering our adherence to principles rather than its effects (Khubana, 2021:20).

Rachels and Rachels (2019:96) argue that deontology is the philosophical method that allows for the evaluation of ethical behaviour in order to create and uphold an unalterable set of principles. This philosophical method attempts to acknowledge basic duties that act as a moral compass for making decisions. These universal guidelines should be used when faced with moral choices in order to determine the best course of action. In deontology, according to Burton and Pearson (2017:45), one fulfils immutable moral obligations regardless of whether the actions result in good. When making decisions, a person considers whether a particular course of action is ethically right or wrong and the deed of performing the duty is crucial, not the consequences of the action. An individual decides on actions by asking if a specific action is morally correct or incorrect. The goal of moral behaviour, according to deontological theory, is to take the required correct action and thus consequently, human volition determines whether an action has moral value. Rather than the implications of the action, the action of carrying out the duty is essential, according to deontological theory (Hooker & Kim, 2018:42).

Akor (2019:38) argues that one common critique of Kantian deontology is that it is overly rigid, fails to account for the complexities of real-life moral situations and upholds strict perfect duties such as the absolute prohibition against lying or breaking promises without exception. Some defenders of Kantian ethics, however, challenge this view, maintaining that although the Kantian moral theory does allow for exceptions to perfect duties, it does not clearly outline when those exceptions should apply.

Akor (2019:38) continues to argue that Kant is criticised for being a purely deontological thinker who is insensitive to the requirements and results of moral behaviour. Therefore, according to Kant's critics, his theory needs to be updated and supplemented with ideas of virtue ethics, Kant's scholars, however, contend that these critiques are unwarranted because Kant's moral theory already incorporates the ideas of virtue ethics and leads to virtue ethics (discussed in the par.3.4 below). Steyn (2020:62) asserts that, while many scholars agree that virtue is an important component of Kant's moral philosophy, some modern theorists disagree, arguing that Kant's theory of virtue is more closely related to the Aristotelian strength of will

(contenance) when faced with opposing emotions and appetites. Kant's understanding of virtue as strength differs from Aristotle's definition of continence and is situated at a far higher level of an individual's inner state of freedom and mental attitude (Steyn, 2020:62).

From the researcher's understanding of the deontological theory in terms of the above, the deontological theory is one of the normative ethics that assesses an action's morality based on how closely it adheres to one or more norms. Speaking the truth, abstaining from fraud and corruption and having unwavering faith in someone's forgiveness, may result in actions that are deontologically justifiable. Deontological theories of ethics place more emphasis on the act itself rather than its results and holds that each person has specific obligations that are established by several categories of unquestionable rights. Therefore, if an action was taken in fulfilment of a responsibility or in accordance with a moral standard, it will be recognised as morally right, although we cannot always predict or control the results of our acts, we always have full control over our intentions.

Public sector officials should observe and abide by applicable laws, rules and regulations, including codes of conduct, while they carry out their tasks on a daily basis. Public officials have a moral obligation to act in the interests of the citizens they serve. In their day-to-day functioning, public officials should continually ask themselves whether what they are doing fulfils moral obligations and contributes to delivering the services or results for which their institutional component is responsible. This, of course, requires all employees to have a thorough knowledge of the goals and objectives of their components and the institution and, importantly, also their specific duties within the component. Supervisors at all levels should also continually ask themselves whether the functions their components are performing really contribute to delivering the services for which their institution is responsible.

According to deontology theory, people should be treated with respect since they have rights. From the above discussion on deontological theory, it is argued that, according to deontological ethics, people have a responsibility to respect other people's rights and treat other people in a right manner. This suggests that a person will uphold their obligations to other people or society since doing so is the ethically correct thing to do. This generally implies that, everyone should behave morally to provide the finest

possible balance of good activity and public servants must follow applicable laws, rules and standard operating procedures controlling them.

The next section discusses the consequential theory.

3.3 CONSEQUENTIAL THEORY

The origins of consequential theory can be found in the writings of Jeremy Bentham (1789–1961) and John Stuart Mill (1861–1998), who promoted utilitarianism, the concept that a morally acceptable activity can only maximise overall usefulness. Consequentialist ethics is also known as teleological ethics, due to its emphasis on the conclusion or “end” result. The concept of teleological ethics, which stems from the Greek words’ *telos*, "goal," and *logos*, "science," draws moral responsibilities or obligations from what is desirable or good as a goal to be achieved (Mahlangu, 2021:93).

Assumptions of consequential theory are discussed below.

3.3.1 Assumptions of Consequential Theory

Motshwane (2018:33) argues that, according to the theory of consequentialism, whether a situation is good or bad depends on how it turns out. According to the consequential theory, one should judge an action's worth, particularly its moral worth, depending on the value of its effects. Consequentialism is a type of normative ethical theory that holds that an action's moral character is solely determined by its outcomes and nothing else. This is how consequentialism ethics offer criteria for evaluating the morality of actions while also recommending principles or criteria for deciding on actions in the future (Khubana, 2021:24).

Gwanzura (2018:21) asserts that, consequentialism holds that, whether an action is moral right or wrongs is judged based on its outcomes, either directly or indirectly, rather than by the nature of the act itself or the mere performance of it. The moral significance of a behaviour, as evaluated by the actual and anticipated consequences of that behaviour, is the emphasis of consequential theories of ethics. Sobayeni (2015:38) asserts that, according to the consequential theory, a deed is morally right if it results in more good than harm compared to other possible deeds, and it is morally wrong if it results in the exact opposite. The foundation of consequential theory is the idea that an action's moral value is decided by its effects.

Mufamadi (2017:15) argues that the consequentialism hypothesis states that an action is ethically justified if and only if it produces at least as much benefit (utility) for all of the people it impacts. According to consequentialist normative ethical theories, which contend that the results of one's activities serve as the basis for any evaluation of their rightness or wrongness, a morally right action will have a favourable result or consequence. The results of an action determine whether it is ethically right or wrong (Rossouw & Van Vuuren, 2018:59). Consequentialists utilise a standard, also known as a purpose or an end, to judge or determine if the result of an action was good or bad. Consequentialist ethics bases judgments on what will benefit the majority while causing the least harm. Here, the utility principle calls on the decision-maker to consider the potential effects of his or her actions and to choose the course of action that will benefit society the most (Motshwane, 2018:34).

It can be noted from the above that, consequentialist ethics bases judgments on what would benefit the majority while causing the least harm. Here, the utility principle compels the decision-maker to consider the potential effects of his or her choices and to pick those that would benefit society the most. The English proverb "the ends justify the means" sums up consequentialism in its most extreme version, which holds that as long as a goal is ethically significant enough, any means of obtaining it are permissible.

Two basic, dissimilar theories serve as the foundation for the consequentialist morality: utilitarianism, which is a perspective on society repercussions and egoism, which is a perspective on personal consequences, are discussed below.

3.3.1.1 Utilitarianism

Al-Tarawneh (2020:408) provides that John Stuart Mill and Jeremy Bentham are the main advocates of utilitarianism. According to utilitarians, a behaviour is moral or right if it may help achieve a good or desirable goal. Mill and Bentham contend that in order for happiness or the greatest benefit to be realised for all concerned parties, human beings must act morally or adhere to moral principles (Al-Tarawneh, 2020:408). Utilitarianism is a concept that refers to usefulness or utility and thus under utilitarianism, before making judgments, decision-makers are required to calculate the impact of each option on all parties involved and choose the one that maximises the

happiness of the largest number or the common good for the majority (Singo, 2018:43).

Khubana (2021:25) notes that, two utilitarianism sub-types, referred to as directive utilitarianism and situational utilitarianism, can be distinguished in practice. Directive utilitarianism holds that well-defined ethical rules can be created to serve as guidelines for moral conduct within institutions. These instructions are equivalent to norms of conduct in a professional setting. In relation to this study, this means that, the code of conduct for public officials; the rules and procedures governing public procurement processes are undoubtedly the main focus when applying this perspective to public sector ethics. Public officials have a duty to behave in accordance with a given set of norms and principles. Khubana (2021:25) continues that different viewpoints are held in situational utilitarianism. According to this theory, choosing a suitable approach that is applicable to the specific circumstances would result in the greatest benefit that would accrue to the majority under particular circumstances. The route to action is determined by the actual circumstances surrounding the issue at hand. In relation to this study, public officials have a moral obligation to act in the interests of the people by choosing suitable approaches when faced with different situations in the course of their work. An institution's mission and vision should strive to fulfil the needs of the societies they serve while striving towards a noble goal.

According to the utility principle, people should always aim for the greatest amount of happiness and therefore, when making decisions or choices, they should think about which option will bring about the greatest amount of happiness relative to sadness or suffering and that option should then be chosen. If that option that will bring about the greatest amount of happiness relative to sadness or suffering is not considered, then they would have made the wrong choice. Utilitarians believe that all moral obligations may be summed up by a single criterion and that people should behave in a manner that maximises the ratio of enjoyment to pain or suffering for everyone who may be affected by our decision (Al-Tarawneh, 2020:408). Rachels and Rachels (2019:82) argue that the utilitarian moral theory seems to be very simplistic. The principle incorporates four ideas: firstly, people should base their decisions on the outcomes of their activities; secondly, people should act in a way that promotes the best outcomes. Thirdly, when deciding on the best course of action, people should prioritise the potential amount of happiness or misery and take whatever steps which would result

in the greatest happiness or the least pain or suffering. Fourthly, the concept presupposes that everyone's happiness is equally important to them and to everyone else.

According to Koali (2020:147) utilitarianism is criticised for encouraging ethical egoism because it is not always possible to predict the variables that would have positive outcomes for other people. The inability to determine what would be appropriate, acceptable or beneficial for other people is one of the challenges involved in determining the effects of the actions that a person desires to take. Furthermore, what someone views as a positive outcome may not equally or at all, be good for them. There is frequently no time to consult with anyone regarding their best interests thus people must instead act as effectively as possible (Koali, 2020:147).

Akor (2019:39) disagrees with the critics who label Mill's utilitarianism as hedonistic, contending that while Mill frequently employed hedonistic language, he rejects hedonism outright and instead characterises happiness to a greater extent in terms of the Aristotelian eudemonic. Similar to Aristotle, Akor (2019:39) provides that, Mill emphasises the importance of developing and using one's higher logical faculties in order to achieve happiness. Mill also emphasises the intrinsic benefit of doing so, however, Akor (2019:39) also draws attention to a significant difference between Aristotle and Mill's views on happiness, stating that Mill gives greater emphasis to practical reasoning over theoretical reasoning in the pursuit of happiness, more so than Aristotle does.

From the above discussion on utilitarianism, it appears that the utilitarian theory allows different people to view various acts and behaviours as morally right depending on the usefulness for the particular group of people. In utilitarianism, morality is decided by emphasising results and according to utilitarian philosophy, the most moral course of action is the one that benefits the greatest number of people. Applied to this study, according to the consequential theory, acts should be chosen based on their likelihood to have a positive or optimal outcome for the people. If the government wants to build Reconstruction and Development Programme (RDP) houses and there are two bidders who scored the highest points when tenders were evaluated, if bidder A has more experience and skill for the job (a project of building), and bidder B is a new contractor who does not have the experience for the job but has the skill, consequential

theory implies that, the department must weigh the consequences of the choice of selecting bidder A who has more experience to get the best results for the work to be carried out, over bidder B to get the best results. The result will be that the greatest number of people, qualifying for RDP houses, will get RDP houses that are of good standard.

In my view, bidder A's experience increases the likelihood of successfully completing the project with high quality RDP houses, selecting bidder A over bidder B supports the aim of achieving the best outcome for the greatest number of people. It reflects a responsible use of public resources and prioritises long-term value and impact. It is worth noting, however, that purely outcome-based reasoning can sometimes overlook fairness, equity or opportunity for growth (e.g., supporting emerging contractors like bidder B).

The next section discusses egoism.

3.3.1.2 Egoism

Singo (2018:44) asserts that, egoism is derived from the Latin word '*ego*' meaning 'I'. The theory of egoism holds that the good is based on the pursuit of self-interest. Egoism or self-interest, is the sin of utilitarianism. A normative ethical position known as "ethical egoism" holds that the moral agent should always put their own interests first. Egoism or self-interest, in the opinion of utilitarians, should not take precedence over the interests of the majority. One component of immoral behaviour by public officials is egoism and it is viewed as a fundamental trait that distinguishes moral leadership from immoral leadership. Egoistic leaders are frequently tempted to carry out corrupt practices. Senior public officials that are egotistical utilise public resources for their own financial gain (Singo, 2018:44).

Clarke (2019:125) argues that the act of egoism has some influence on corrupt acts in the public service. Egoistic people put themselves in positions of power to further their own agendas at the expense of the general welfare of people. The claim that one should behave in a manner that an impartial observer would find understandable, and be able to empathise with, raises the issue of whether there are objective moral standards in this theoretical framework, which is a major criticism of this theory (Sobayeni, 2015:36). A person's acts are judged moral or immoral depending on their capacity to advance personal interests, according to ethical egoism and people should

prioritise pursuing their own self-interests above all else, regardless of how their actions may affect other people (Gwanzura, 2018:20).

Crane and Matten (2020:68) explain that there are two types of egoism: descriptive and normative. The positive or the descriptive version views egoism as a factual description of human affairs. In other words, people are driven by their own interests and goals and cannot be characterised in any other way thus no matter what currently drives people's behaviour, the normative variant contends that motivating people is important. Crowther and Seifi (2020:85) argue that the normative theory of ethical egoism holds that advancing a person's own interests is morally acceptable. According to the strong version, it is always moral to advance one's own interests, and it is never moral not to do so. The weak version claims that while it is always moral to further one's own interests, it is not always immoral to do otherwise. In other words, there might be a circumstance in which putting one's own interests aside is a moral decision. According to egoism, it is both necessary and sufficient for an action to maximise one's self-interests for it to be morally decent (Crowther & Seifi, 2020:85).

From the above it can be deduced that, egoism theory suggests that individuals should prioritise their own self-interest and the act of egoism has some influence on corrupt acts in the public service. If a procurement official accepts a bribe from a supplier, then that official is prioritising their individual interests for their personal benefits and thus self-interests are prioritised over ethics. The procurement official has a commitment to serve the public and has an obligation to put the interests of the public above personal self-interests. Egoism can lead officials to prioritise personal gain over public benefit and can facilitate corrupt practices in procurement processes. Prioritising personal interests can lead to exploitation by manipulating procurement processes, favouring certain suppliers for personal gain or ignoring ethical obligations all under the guise of pursuing what's best for oneself, regardless of the impact on others. Egoism has potential to erode public trust in government.

The below section discusses virtue theory.

3.4 VIRTUE THEORY

Ferrell and Ferrell (2019:245) provide that the virtue theory has its roots in ancient Greek philosophy. Socrates introduced virtue ethics in the 4th century B.C., which Plato, Aristotle and the Stoics developed further. According to virtue ethics, morality is believed to have its roots in an individual's identity or character rather than in their deeds (or the results of those activities). Ferrell and Ferrell (2019:245) continue to add that the connection between various normative ideologies and virtue ethics is rooted in intrinsic virtues. Plato and Aristotle have different views on how virtues function. According to Plato, virtue is a goal to be achieved and a friend can be a useful ally in reaching that goal, meaning that ethical behaviour (virtue) should be the ultimate aim of procurement processes and strong, ethical partnerships (friends) within the supply chain management environment can support this goal. In contrast, Aristotle views virtues as protective factors for relationships, particularly true friendships, which are essential for the pursuit of happiness.

Glebovskiy (2019:36) notes that virtue theory is one of the earliest normative traditions in Western philosophy, originating in ancient Greek civilisation. Virtue ethics emphasises the development of positive character traits, such as kindness and places less emphasis on learning rules. Aristotle contended that virtues are beneficial habits people develop, which help manage and regulate our emotions. Griffin (2019:254) asserts that in addition to advocating good habits of character, virtue theories hold that people should avoid acquiring bad character traits or vices, such as cowardice, insensibility, injustice and vanity. Aristotle calls courage, temperance and justice moral virtues and thought that they are best acquired through imitation, practice and habit.

Assumptions of virtue theory are discussed below.

3.4.1 Assumptions of Virtue Theory

Singo (2018:44) contends that, anyone who possesses a virtue is virtuous if they act and feel morally wonderful, righteous or admirable. A virtue is something that makes a person feel good and these axioms are widely accepted, however, giving up these truisms in relation to particular (putative) examples of virtues, is just as common. Wang, Cheney and Roper (2016:70) believe that being generous or honest "to a fault" is a possible description of virtue. It is often suggested that someone's sympathy could lead them to act inappropriately, such as lying or saying something they should not have because they care about other people's feelings.

Motshwane (2018:39) argues that virtue ethics are often recognised as an approach that focuses more on moral character and qualities, unlike deontology or consequentialism, which prioritise rules or the outcomes of actions, respectively. For example, if it is clear that someone in need should be helped, a utilitarian would argue that helping maximises overall well-being, a deontologist would claim the action aligns with a moral principle like "treat others as you wish to be treated," and a virtue ethicist would emphasise that helping the person is simply an act of kindness.

Arthur, Harrison, Carr, Kristjansson, Davidson, Hayes and Higgins (2020:315) argue that according to virtue ethical theory, a person is judged based on their character rather than on a decision that may have deviated from their usual course of behaviour. It rates unique and irregular behaviour that is deemed unethical by considering the person's morality, reputation and motivation. According to Bykova (2018:451), the question of "what makes a good person" or "what makes a good public official" is the main factor in virtue ethics. In order to make decisions based on virtue ethics, the decision-maker must first understand which virtues are beneficial to public officials. A good public official, for instance, would always make decisions in an ethical manner to ensure that the value of honesty is upheld.

Atakpa (2017:163) notes that the foundation of virtue ethics is the idea that morality is essential to human existence. When it comes to virtue ethics, morality based on personal character must be prioritised. Crucial elements including personal character, integrity, moral drive and virtues play a major role in virtue ethics. Curzer (2019:245) is of the opinion that if an act of virtue is performed merely out of a conviction that honesty is the best policy or out of fear of discovery rather than because the person recognises that, "to do otherwise would be dishonest," as the necessary justification, then the conduct is not that of an honest person. Since one might be honest without being impolite or indiscreet, for instance, one cannot simply describe an honest person as one who speaks the truth simply because it is the truth (Curzer, 2019:245). Koenane (2018:67) asserts that, an honest person's decisions and motivations about honest and dishonest behaviours are reflective of his or her views regarding truth, deception and honesty. When an honest person values honesty, he or she chooses, wherever feasible, to work with honest people, have honest friends and have honest children. An honest person hates or feels sorry for people who succeed through deception rather than their own intelligence, disapproves, dislikes and deplors

dishonesty, is not amused by some stories of cunningness and is shocked or distressed when people close to him or her act dishonestly (Martela, 2018:60).

According to Mahlangu (2021:98) the virtue-based strategy emphasises the personality of the individual doing the action. In virtue-based ethics, acceptable behaviour and proper action are characterised by traits like caution, discretion, persistence, sincerity, bravery, honesty, humility, hope and kindness. According to virtue ethics, public officials who exhibit these traits may be better able to identify their biases, refrain from forcing their opinions on the citizens they serve and differentiate between personal and cultural preferences as well as psychological and therapeutic realities. The objective of virtue ethics is for the decision-maker to act morally at the appropriate time and in an appropriate manner (Mahlangu, 2021:98).

John and Pearson (2017:179) posit that virtue ethics are frequently criticised for failing to explain how people should behave morally in uncertain or perplexing situations. It focuses on the character of the individual and virtue for varied situations, which cannot be subject to generic standards, rather than emphasising the actions of the individual and challenging their rightness through an appeal to universal principles. Polansky (2019:67) notes that, virtue ethics, unlike deontology and consequentialism fails to prioritise acts in its assessment of morality and believes that, virtue ethics cannot be justified without making some sort of reference to norms. As an illustration, Koenane (2018:67) questions how someone might "know what actually satisfies the virtue of justice without knowing which norms determine what is just." Therefore, it would be far more difficult to draw any conclusions about virtue ethics thinking from a comparison to legal reasoning.

In response to the objections of virtue ethics, Martela (2018:61) argues that while Aristotle does not say that people can become moral simply by following the law, he does believe that rules have a substantial impact on people's capacity to develop virtue. According to Aristotle, the legislator, whose duty it is to pass laws, must do so in a way that makes it clear to citizens what is expected of them in order to lead moral lives. According to Aristotle, in order to become morally upright, people must acquire all the virtues of morality and abstain from immoral behaviour. He views a just person as a citizen who upholds the law (Martela, 2018:61).

Virtue ethics according to Akor (2019:40) is a useful framework encouraging moral corporate culture and encourages virtuous work behaviour by emphasising the value of morality and integrity. This is an essential discovery to take note of since moral character cannot be realised without sound work ethics and a strong ethical culture. One of virtue ethics' greatest advantages over other ethical frameworks according to Khubana (2021:28), is that moral motivations from within the individual are frequently what guides their action. It can be simple to ignore the established laws and standards, which can result in immoral responses, if there is no internal drive to behave morally during a crisis. Internal motivation can greatly help the situation because it can lead to positive results.

Greene (2019:430) is of the opinion that many people do not believe virtue ethics to be more persuasive than deontology and consequentialism despite it being recognised for its capacity to both internalise and externalise ethical behaviour. Deontology and consequentialism can be vulnerable in times of crisis because they lack the internal moral drive to encourage moral behaviour. Virtue ethics seem more suitable in crisis management because internal motivations to do good might result in a morally acceptable outcome in times of crises (Greene, 2019: 430). Reichlin (2018:11) is of the opinion that, because it is so straightforward, virtue ethics may also be easily included into company codes of ethics thus encouraging employees to have good morals that can serve as a safeguard against possible crises. A common problem with corporate codes of conduct is that they are mostly directive in nature, forbidding unethical behaviour by telling employees what they should and should not do without providing any sort of moral motivation to behave morally. Koenane (2018:67) states that the possibility presented by virtue ethics allows for a greater emphasis to be placed on moral principles that inspire managers and officials to always act morally, even when they are not being observed. Applying a framework that prioritises personal integrity and character can help resolve a corporate ethical issue effectively. Consequentialist and deontological ethics challenges arise from the fact that they do not emphasise character.

In relation to this study, virtue ethics can be explained in a situation where a public official has been caught accepting a bribe. The disciplinary committee would comprehend the official's character and would not be able to judge the official because they know him/her well. If the disciplinary committee usually adheres to protocol, then

they may be able to judge the official more appropriately. To them, it could be that the official was affected by finances and needed the money urgently. Conversely, an official who is repeatedly in disciplinary hearings for the same thing repeatedly is more likely to face harsh judgement for repeating the same offence. Virtue theory teaches that, no one is perfect, a person cannot be judged as someone who is honest simply because they always preach the truth. In other words, an individual's honesty is judged by the integrity of his/her actions over time, showing a deep, internalised commitment to honesty, rather than just external acts of truth-telling.

3.5 CHAPTER CONCLUSION

This chapter provided the three primary prominent ethical theories utilised in practical ethics to make moral judgments, which are: deontological, consequentialism and virtual theories. It was noted that, deontology theory emphasises the deed itself, whereas consequentialism emphasises the result or effect of an action. Virtue theory emphasises that, an honest person cannot be defined as one who speaks the truth because it is the truth, one can be honest without being polite or discreet. An understanding of the three provided opposing theories that serve as the foundation for the study of ethics in the public sector, increases one's awareness of the various ways in which people make moral judgements. An institution's leadership is likely to have a better grasp of employees' behaviour at work if they are aware of various ethical theories.

It is important to emphasise the difference between the theories discussed in this chapter, the three theories' conceptions of "good" are what set virtue ethics, consequentialism and deontology apart from each other. According to virtue ethics, what is "good" is not what consequentialism and deontology claim it to be. While virtue ethics inquires as to what qualities of character constitute a virtuous person, deontology and consequentialism ask the question of "what is the right thing to do." It is important to note that, even though consequentialism and deontological theories have major differences, they both focus on behaviour. Consequentialism theory focuses on identifying actions that adhere to a set of moral principles or common standards. Consequentialist and deontological principles regulate behaviours by external factors such as policies, regulations and codes. Deontology and consequentialism are, to put it simply, theories of behaviour.

From the three theories discussed in this chapter, the theories that are applicable to this study for guiding the ethical behaviour of procurement officials in procurement processes in the public sector is the deontology theory and virtue theory. The deontology theory is relevant to this study because it serves as a guide for ethical behaviour. Deontology theory provides a framework for establishing robust control and oversight measures in procurement processes by identifying moral obligations for procurement officials such as, their duty to act with integrity, to ensure transparency in procurement processes and avoiding conflicts of interest. According to deontology theory, public officials should adhere to the guidelines, code of conduct, policies and regulations governing public procurement processes. Public servants should observe values such as fairness, honesty, accountability, equity and reasonableness when dealing with procurement procedures. In order to improve public procurement, public officials have a duty to behave in accordance with a given set of norms and principles. Deontologists strive for consistency in their actions because they adhere to morally righteous principles. If public officials dealing with procurement processes can adopt moral principles and embrace a code of ethics when conducting procurement processes, then they may avoid unacceptable behaviour such as fraud and corruption during procurement processes and always have an intention to serve citizens. The deontological theory is appropriate for this study as it has the advantage of mandating people to act morally consistently.

The virtue theory is also relevant to this study because it emphasises the character of the individual performing the action. In relation to this study, public officials who are discreet when dealing with tender documents, unbiased when drafting specifications for tender requests by refraining from requesting for branded items that would favour certain suppliers; show fairness to suppliers by giving them sufficient time to prepare and submit bidding documents and have willingness to help the public with regards to information on available tenders, are necessary characteristics needed during procurement processes according to virtue ethics. The goal of virtue ethics is for an individual to make the right choice, at the right moment and in the correct way. Virtue in terms of this study is pursuing excellence when public servants are performing public duties, for the benefit of the citizens they serve. If public officials dealing with procurement processes can be virtuous, then they may refrain from having preferred suppliers, pursue excellence in their work, be honest when evaluating tenders, be

good public servants who make decisions in an ethical manner, and always ensure that the value of honesty is upheld. The virtue theory is appropriate for this study as it encourages public officials to develop virtuous habits and lead an ethical life when performing public duties.

Consequentialism is less relevant to this study because it focuses on outcomes rather than the moral duties or character of individuals. In public procurement, where ethics, fairness, transparency and accountability are crucial, deontological and virtue theories are more applicable, as they emphasise moral principles and virtuous character. Consequentialism might justify actions that prioritise efficiency or cost savings over ethical principles, potentially compromising fairness and transparency. Therefore, while consequentialism is useful for evaluating outcomes, deontological and virtue theories are better suited for guiding ethical conduct in public procurement.

CHAPTER FOUR

LEGISLATIVE AND REGULATORY FRAMEWORK THAT GUIDES PROCUREMENT PROCESSES IN THE SOUTH AFRICAN PUBLIC SECTOR

4.1 INTRODUCTION

Public procurement constitutes a significant proportion of public expenditure. Regulations to control procurement processes are essential for the prudent use of public funds. Compliance with procurement policies and regulations is mandatory to ensure that transparency, equity, accountability and fairness are enhanced, as this is perceived as strengthening control measures and reducing corruption and maladministration (Mhelembe & Mafini, 2019:3). South African public procurement is well regulated, all legislations, policies and regulations subscribe to the principles of fairness, equity, transparency, competitiveness and cost effectiveness set out in section 217 of the Constitution of the Republic of South Africa, 1996 (Thobakgale & Makgopo, 2018:45).

The legislative and regulatory framework that guides South African public procurement processes is discussed below.

4.2 CONSTITUTION OF THE REPUBLIC OF SOUTH AFRICA, 1996

Maqoko and Andoh (2019:83) argue that section 217(2) and section (3) of the Constitution of the Republic of South Africa, 1996 serve as the foundation for the legislation guiding public procurement processes. As stated in Section 217(2) and section (3), national legislation must establish a framework for the implementation of the Preferential Procurement Policy Framework Act outlined in subsection (2), including a procurement policy that specifies preference categories for contract allocation. This policy should also facilitate the protection or advancement of individuals or groups who have been disadvantaged by unfair discrimination, and this policy may be implemented by organs of state, including government departments and public entities. Public procurement can be utilised to achieve constitutional outcomes, such as the achievement of equality, through the preferential or discriminatory treatment of contractors (Mokoena, 2018:460).

The guiding principles of the Constitution of the Republic of South Africa, 1996 form the foundation of the regulatory framework for public procurement. According to Section 217(1) when an organ of state at the national, provincial or local government level, or any other institution identified in national legislation, enters into contracts for goods and services, it must do so in a manner that is fair, equitable, transparent, competitive and cost-effective (National Treasury, 2015:75).

The Constitution of the Republic of South Africa, 1996 in Section 217(1) outlines the five guiding principles for how public sector procurement should be performed, namely:

4.2.1 Fairness and equity

Moolman (2021:78) notes that, section 33 of the Constitution of the Republic of South Africa, 1996 provides that every individual has the right to fair administrative procedures. It is a constitutional requirement that any administrative action that negatively impacts the public or communities must be carried out in a procedurally fair manner. Moolman (2021:79) further notes that equity aligns with the principle of fairness and focuses on ensuring that everyone has access to the same opportunities. In essence, it means providing equal chances for all individuals to benefit from the opportunities available. Tshilo (2020:56) argues that the fairness principle which applies to procurement, stipulates that procurement processes must be free from discrimination, just and appropriate under the circumstances, impartial, in accordance with the norms or standards and free from corruption or prejudice.

Mothibi (2020:33) argues that the equity principle is defined as what is fair and right, and is a method for individualising broad legal principles so that they can be applied to various circumstances. In the context of the Constitution of the Republic of South Africa, 1996, Mothibi (2020:33) explains that, when dealing with rights-related issues, respect for human decency, equality and freedom all serve as mechanisms by which equity can be accomplished by allowing the democratic values to be invoked to adjust rules so that democratic values may be properly applied to specific circumstances. The equity principle basically indicates that, in order to achieve justice, it may be necessary to acknowledge variations in resources, development, race, circumstances and offer remedies that consider those differences (Mothibi, 2020:33).

From the above it can be deduced that, section 217(1) of the Constitution of the Republic of South Africa, 1996 mandates public procurement processes to be fair. Fairness requires that the whole procurement process must be conducted impartially without bias, all interested suppliers must be provided with the same information and be provided a fair chance to compete for tenders. For equity to prevail, the award of government tenders must consider categories of people disadvantaged by unfair discrimination, that was applied before 1994. In South Africa, the equity principle is crucial to public procurement since it assures that the government is dedicated to fostering economic growth and advancing historically disadvantaged individuals.

4.2.2 Transparency

The principle of transparency refers to the concept of openness, which is one of the fundamental principles of democracy. The argument behind including the principle of transparency is that, interested or impacted parties should have the freedom to examine the procurement processes in order to promote trust in governmental procedures (Tshilo, 2020:57).

To ensure accountability, the transparency principle calls for reasoned and logical decision-making. Transparency and the principles of fairness and competition are closely related in the context of procurement and some of their requirements do overlap. It has been argued that the following components would need to be present for the transparency principle to be realised throughout the procurement process: the procurement conditions and the standards by which decisions will be made must be documented; the ultimate decision to award a tender as well as any interim decisions should be made public, along with reasons where necessary; and the publicly announced decisions and reasons must be verifiable (Manyathi, 2019:165).

It can be deduced from the above that information about tenders must be clear, accurate, reliable and understandable to all interested parties. Interested suppliers must have access to procurement opportunities, to enable them to bid for government tenders. The researcher believes that a transparent procurement process can improve competition and reduce the perception of unfairness.

4.2.3 Competitiveness and cost-effectiveness

The advantage of incorporating the competitive principle in the Constitution of the Republic of South Africa, 1996 is that it forces the public sector to ensure that it can compare factors like price and quality when procuring goods and services through laws, regulations and procedures. However, a further result is that government contracts may only be issued following the provision of an opportunity for several contractors to compete for a specific tender, essentially giving the public sector more options before spending (Sibanda *et al.*, 2020:10). The competition can therefore, according to Smit (2018:25), take the form of written price quotations or competitive bidding. Closely tied to the competitive principle is cost effectiveness. The cost effectiveness principle is fundamentally the capacity to deliver an appropriate or optimal return on expenditure and cost effectiveness acts as a qualifier on the effects that more competitive bidding prices bring (Smit, 2018:25).

Zitha *et al.* (2016:61) argues that the principle of cost effectiveness is a common theme throughout legislation pertaining to public sector management and procurement. Section 195(1) of the Constitution of the Republic of South Africa, 1996, encourages government to utilise its resources efficiently, effectively and economically. Cost-effectiveness in procurement is a notion that must permeate every stage of procurement, from planning through maintenance and tender administration. As a preliminary observation, it is crucial to note that, when government procures goods and services, cost-effectiveness should not be the only factor considered (Zitha *et al.*, 2016:61). As mandated by section 217(1) of the Constitution of the Republic of South Africa, 1996, government should make every effort to get the best value for money. Making use of competitive procurement processes helps in getting the best value for money (Munzhedzi, 2018:18).

It can be deduced from the above that competition in procurement is important. A tender is not awarded based only on the lowest price as value for money does not essentially mean the lowest price. This means that considering reliability, whole-life costs and promptness of delivery are also important aspects and not simply the initial procurement costs.

4.3 LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT 56 OF 2003 (MFMA)

Mothibi (2020:36) states that the MFMA was promulgated in 2003 with the primary goal of ensuring that municipalities' fiscal and financial affairs are managed successfully and sustainably. Enwereji and Uwizeyiman (2019:144) argue that municipalities must practice prudent financial management so that they can effectively deliver services to citizens. To control financial management and increase municipalities' capacity to serve their communities, parliament promulgated the MFMA. Mbatha (2020:27) argues that the MFMA aims to encourage officials to conduct themselves ethically when undertaking public procurement. In terms of section 112(1)(b) of the MFMA, all potential contractors must have simultaneous and equal access to information pertinent to bidding processes. Fourie (2018:732) adds that to put the MFMA into effect, every municipality is required to create and execute a SCM policy which must comply with the established framework of fairness, equity transparency, competitiveness and cost effectiveness (Enwereji & Uwizeyiman, 2019:144).

Manyathi (2019:57) asserts that the MFMA serves the following purposes, namely: it regulates financial management; establishes standards for efficient and effective administration of revenue, expenditure, assets and liabilities; define roles and establishes a framework for financial management governance. Kleynhans and Coetzee (2019:12) provide that section 43(1) of the MFMA enables national and provincial governments to assist local government to effectively, efficiently and transparently manage their finances. Local government must also receive assistance from national and provincial government in recognising and resolving their financial affairs. Senior municipal officials are allocated duties under section 78 of the MFMA, ensuring that there is diligent, effective and efficient management.

From the above it can be deduced that, the MFMA's goal is to enhance municipalities' functionality as it focuses on complying with processes and regulations. The MFMA also encourages local government to manage funds effectively and in a transparent manner. The other objective of the MFMA is for municipalities to avoid waste, so as to enhance service delivery through providing improved services to communities they serve. This means that, compliance with the MFMA can lead to sound and sustainable

management of municipal finances, thereby improving service delivery in the communities the municipalities serve.

4.4 PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT 5 OF 2000

The PPPFA and its regulations require public service departments to carry out their procurement processes within the legislated framework. To redress impacts of the apartheid government's discriminatory actions, tenders are awarded using a preference point system. Tenders are requested by procurement officials dealing with requests for tenders and bids are assessed using a point system that weighs the price first and then the specific goals (Tshilo, 2020: 63).

The 80/20 and 90/10 preference points for price are explained in the table below.

Table 4.1: Preference points system

80/20 preference points	90/10 preference points
From R30 000 up to R 1 million	Above R1 million
20 points for specific goals (cf. section 2.5.1.4)	10 points for specific goals (cf. section 2.5.1.4)
Points for specific goals are added to the price points	Points for specific goals are added to the price points
Highest scorer is selected	Highest scorer is selected

Source: (National Treasury, 2022:7)

The Preferential Procurement Regulations (PPR) were amended by the National Treasury and became effective as of January 16, 2023. The modifications are an outcome of the Constitutional Court's judgement in February 2022, which declared that the 2017 regulations, as amended, are unlawful and unconstitutional. Due to what the Supreme Court of Appeal held to be the interconnectedness of the regulations, the entirety of the 2017 regulations was declared invalid on the basis that the content of the 2017 regulations exceeded what the Minister could permissibly regulate in terms of section 5 of PPPFA and section 217 of the Constitution of the Republic of South Africa, 1996 (National Treasury, 2022:1).

4.5 BROAD-BASED BLACK ECONOMIC EMPOWERMENT ACT 53 OF 2003 (B-BBEEA)

According to National Treasury (2015:78), in order to develop or redress discriminatory practices against particular groups, the Constitution of the Republic of South Africa, 1996 established the preference points system, with the B-BBEEA becoming its central framework in 2007. A legislative framework for promoting B-BBEE is established by the B-BBEEA and when state departments decide on their preferential procurement policy, they must take the B-BBEEA's codes of good practice into account (National Treasury, 2015:78).

The B-BBEEA has the following objectives, to:

- provide a legal framework for advancing B-BBEE.
- give the minister the authority to create codes of good conduct.
- create the B-BBEE advisory council and to handle every aspect of the act.
- offer guidelines that outline objectives, responsibilities and duties for the public and private sector.
- include rural residents, women, youth and disabled people in the mainstream economy of South Africa (Setino, 2018:95).

The B-BBEEA is a significant piece of legislation that determines different ratings for bids based on weightings. B-BBEE is defined as an integrated and coherent socio-economic process that considerably reduces income gaps while also raising the number of black people to manage, own and control the country's economy in South Africa (Manyathi, 2019:55). A general, balanced scorecard was developed to ensure that the companies doing business with government are B-BBEE compliant (Tlomatsana, 2018:45).

The goals of the PPPFA and B-BBEEA were aligned by the 2017 PPR as amended, which also included the introduction of the B-BBEE scorecard and this shift reflected a broader approach to transformation, moving beyond a narrow focus on ownership by black people to include a wider range of B-BBEE elements such as ownership, management control, skills development, enterprise and supplier development, and socio-economic development. The modified PPR 2017 was meant to benefit targeted groups and small, medium, and micro enterprises

(SMMEs) also known as Exempted Micro-Enterprises (EMEs) and Qualifying Small Enterprises (QSEs) in the B-BBEEA and the codes of good practice. An EME according to Nkomana (2021:10) is any enterprise with an annual turnover of R10 million or less and a QSE is a business with an annual turnover between R10 million and R50 million.

Furthermore, the B-BBEEA requires that goods and services be procured from suppliers with a specific B-BBEE level, EME or QSE. The amended PPR introduced specific goals aimed at using procurement to promote local industrial development, socio-economic transformation and the empowerment of small business enterprises, cooperatives and rural and township enterprises. These specific goals in terms of the amended PPR 2017 relate to: at least 51% of the targeted group (ownership of SMMEs or QSEs) must consist of historically disadvantaged individuals, women, youth, people with disabilities, military veterans and locality ownership (National Treasury, 2017:23). The PPR, 2017, were amended by the National Treasury, and the amended regulations became effective on the 16th of January 2023. Government has not abandoned its B-BBEE objectives because of the new PPR, 2022. The PPR, 2022 aims to further redress impacts of the apartheid government's discriminatory actions, whereby tenders are evaluated using a preference point system that weighs the price first and then the specific goals (cf. section 2.5.1.4) (National Treasury, 2022:1).

Mbatha (2020:28) explains that the generic scorecard comprises of seven elements, each of which is given a score out of 100. The scorecard makes it easier to understand how each indicator is calculated. A company's B-BBEE status is determined by measuring it as a contributor under the generic scorecard and using points earned, including its B-BBEE recognition level. It is explained by the SME Toolkit (2017:3) that, whether a business is assessed using the generic or QSE scorecard depends on its annual turnover and ownership structure. EMEs are generally not assessed using the full scorecard, instead, they are automatically assigned a level 4 B-BBEE status, which corresponds to a 100% recognition level, however, EMEs that are at least 51% black-owned qualify for enhanced recognition and are elevated to a level 2 status (125% recognition level). The SME Toolkit (2017:3) further explains that, if an EME is 100% Black-owned, it qualifies for the

highest possible B-BBEE level — level 1, with a 135% recognition level. Although EMEs are exempt from full scorecard compliance, they may voluntarily choose to be measured using the QSE scorecard. Qualifying small enterprises are normally required to comply with all elements of the QSE scorecard, however, ownership still plays a role in simplifying their compliance. If a QSE is at least 51% black-owned, it automatically qualifies for Level 2 (125% recognition level) and if it is 100% black-owned it is elevated to Level 1, with a 135% recognition level (SME Toolkit, 2017:3).

The table below shows the B-BBEE status, qualification and recognition level.

Table 4.2: B-BBEE status, qualification and recognition level

B-BBEE STATUS	QUALIFICATION	B-BBEE RECOGNITION LEVEL (PERCENTAGE)
Level 1 contributor	≥100 points on the generic scoreboard	135
Level 2 contributor	≥85 but <100 on the generic scorecard	125
Level 3 contributor	≥75 but <85 on the generic scorecard	115
Level 4 contributor	≥65 but <75 on the generic scorecard	100
Level 5 contributor	≥55 but <65 on the generic	80
Level 6 contributor	≥45 but <55 on the generic scorecard	60
Level 7 contributor	≥40 but <45 on the generic scorecard	50
Level 8 contributor	≥30 but <40 on the generic scorecard	10
Non-compliant contributor	<30 on the generic scorecard	0

Source: (National Treasury, 2015:80).

The pre-qualification criteria and functioning requirements of the former regulations as well as any references to, requirements for and definitions for B-BBEE and local content, have since been removed from the procurement regulations. It is significant to note that, the government has not abandoned its B-BBEE objectives because of the preferential procurement legislation. Contrarily, President Cyril Ramaphosa on the 14th of November 2022 reiterated the government's commitment to B-BBEE, stating in front of the legislature that, “our people have passed on poverty from father to son, other people are unable to afford paying for electricity and water. The government will thus continue to promote Black Economic Empowerment and affirmative action.” (National Treasury, 2022:1).

Table 4.3: B-BBEE elements, description and beneficiaries

B-BBEE ELEMENTS	DESCRIPTION	BENEFICIARIES
Ownership	Measures the level of Black ownership in a business, including voting rights and economic interest.	Black shareholders, including women, youth and designated groups.
Management control	Assesses the representation of Black people in executive and senior management roles.	Black executives, senior managers and directors.
Skills development	Focuses on training and development opportunities for Black employees, especially through accredited programs.	Black employees, black learners (including youth, disabled individuals and interns).
Enterprise and supplier development	Encourages support for Black-owned businesses through procurement, supplier development and enterprise funding.	Black-owned SMEs, black entrepreneurs and suppliers.
Socio-economic development	Involves contributions that improve the lives of Black	Black communities, especially the poor and disadvantaged.

	South Africans, particularly in underserved communities	
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Source: (DTIC, 2019)

From the above it can be deduced that the purpose of the B-BBEEA is to redress the inequalities created by apartheid. Being a level 1 B-BBEE contributor is the highest possible B-BBEE rating, which means that the business is highly compliant with B-BBEE requirements as opposed to a level 8 B-BBEE contributor which is the lowest compliant rating, which means that the company barely meets minimum transformation targets. The B-BBEEA was established to bridge the gap between formal and substantive equality and to ensure that South Africans enjoy their equity rights because not all South Africans are born to equal circumstances. Aiming to boost Black people's economic involvement, B-BBEE also significantly reduces income inequality by expanding the proportion of Black managers and owners of companies. B-BBEEA aims to promote an increase in Black individuals occupying management positions, and higher income levels resulting in a decrease in income imbalances between races.

4.6 NATIONAL TREASURY REGULATIONS

National Treasury Regulations of 2005 as amended, define the roles of accounting officers in tender processes and outlines the processes and procedures that should be followed when the SCM system is abused within an institution. National Treasury regulations provide the broad regulatory framework for SCM. Section 112 of the MFMA requires the SCM policy to comply with a prescribed regulatory framework, ensuring fairness, equity, transparency, competitiveness and cost-effectiveness (Matloko, 2021:41). According to the Municipal SCM Regulations 26(1), when procuring through a bidding process, a SCM system must include all of the following: the establishment, membership, and operation of bid specification, evaluation and adjudication committees; bidding procedures and approval of bid evaluation and/or adjudication committee recommendations (Manyathi, 2019:67).

The new amended National Treasury, 2021 threshold values established by National Treasury in circular No.3 of 2022 for purchasing through quotations or a competitive bidding process are shown in table 4.3 below.

Table 4.4: National Treasury threshold values

RANGE OF PROCUREMENT	THRESHOLD VALUE (inclusive of VAT)
Petty cash	Up to the value of R2000
Written price quotations	Above the value of R2000 but not exceeding R1 million
Competitive bidding	Above the transaction value of R1 million

Source: (National Treasury, 2022:3).

An accounting officer is required to check bid documents and the general conditions of contracts compliance under National Treasury Regulation 16A6.3. The bid paperwork comprises evaluation and adjudication criteria, unless the situation is urgent, in which case bids are advertised for a shorter duration. The Government Tender Bulletin, as well as local and other media outlets through which the bids were advertised also publish awards of tenders (National Treasury, 2015: 80).

Public procurement is guided by legislations and applicable National Treasury regulations. National Treasury regulations aim to instil and foster a strong culture of compliance with regulations and procedures governing procurement processes (Manaka, 2021:63). As per the National Treasury, a framework of procurement laws, policies, practices and transparent procedures that are accessible to all possible bidders ensure open and effective competition. The general procurement guidelines provided by National Treasury state that, public procurement thrives on five pillars, namely: value for money, openness and transparency, ethics and fair dealings, accountability and reporting as well as equity (National Treasury, 2015:64).

It can be noted from the above that, National Treasury is there to issue instructions to all public institutions and provide advice and assistance to the institutions. Public procurement procedures are governed by National Treasury regulations, which also encourage and uphold transparency and efficient handling of public expenditures. Accounting officers of public institutions are to comply with Treasury Regulations when conducting procurement processes. It can be noted that, National Treasury regulations are there to regulate public procurement, by ensuring value for money when using

public funds and ensuring that public procurement is used to improve previously disadvantaged people's access to economic opportunities, supporting efficiency and the greatest amount of competition.

4.7 LOCAL GOVERNMENT: MUNICIPAL SYSTEMS ACT 32 of 2000

The rendering of services by the municipality is of utmost significance. Since providing services is the primary function of municipal government, providing services has significant financial ramifications. Contracts for the supply and delivery of services are frequently made with private parties and therefore, when discussing public procurement at local government level, it is important to take into consideration the Local Government: Municipal Systems Act 32 of 2000 (MSA). The MSA expressly addresses the prerequisites for entering into service delivery agreements and makes it possible for municipalities and municipal entities to enter into service level agreements. If a municipality provides a municipal service through a service delivery agreement, it must choose a service provider through a competitive, fair, transparent, equitable, and cost-effective selection process (Maleka, 2018: 112 & Tshilo, 2020:61).

From the researcher's opinion, the MSA seeks to establish the essential principles, mechanisms and procedures that are necessary for municipalities to make steady progress in advancing the social and economic upliftment of local communities, while ensuring equitable access to basic services.

4.8 PROMOTION OF ADMINISTRATIVE JUSTICE ACT 3 of 2000

Tshilo (2020:68) asserts that to give effect to the right to administrative action that is lawful, reasonable and procedurally fair, the Promotion of Administrative Justice Act 3 of 2000 (PAJA) was promulgated. The PAJA also gives effect the right to get written justification for administrative decisions. Mokotedi (2018:28) is of the opinion that the PAJA is a potent tool in the hands of procurement officials dealing with public procurement processes, given that, many decisions taken during procurement processes are administrative ones.

From the above it can be deduced that PAJA ensures that administrators follow fair procedures when deciding and fully explain any decisions reached. PAJA deals with administrative actions or decisions that affect a person's rights and in relation to this

study, PAJA promotes supplier's rights to just administration. When an administrative action has an impact on suppliers, it is the right of suppliers to be provided with a written explanation. According to PAJA, in relation to this study, suppliers should be informed in writing if an advertised tender has been withdrawn. Suppliers should be informed about when the tender would be advertised again, if there is an intention to re-advertise. If there are changes in the specification of the advertised tender, suppliers should be informed in writing about the changes in the tender advert to avoid letting suppliers submit incorrect information in the bidding documents.

4.9 PROMOTION OF ACCESS TO INFORMATION ACT 2 OF 2000

The Promotion of Access to Information Act 2 of 2000 (PAIA) is there to ensure that people can exercise their constitutional right to access information held by the government, as well as information held by others when needed to protect or enforce their rights. It also assigns specific responsibilities and powers to the information regulator created under the Protection of Personal Information Act 4 of 2013 to carry out duties under this law, along with addressing related issues (Republic of South Africa, 2000:2).

From the above it can be deduced that, the PAIA assumes a crucial role in procurement procedures. A service provider should have access to information, for instance, if he/she asks the government department to reveal the rationale for the awarding of the contract to another service provider after losing a tender through a deliberative decision-making process. The PAIA contains detailed provisions for the disclosure of information by public bodies. Unsuccessful bidders wishing to challenge a bid process have a *locus standi* (place to stand) to bring such proceedings.

4.10 CODE FOR ETHICAL LEADERSHIP IN LOCAL GOVERNMENT

The code for ethical leadership in local government of 2023 aims to give effect to the spirit of the Constitution of the Republic of South Africa, 1996 and create an environment where the existing legislative and regulatory framework can thrive. An ethical municipal leader sets the tone for an ethical culture, follows a community-centred approach to governance, respects the boundary between the political and administrative spheres of the municipality, and ensures the appointment of staff who have competence and integrity. They also ensure the appropriate level of competence,

integrity and diversity on committees and oversight structures, deal fairly and decisively with ethics transgressions and poor performance and also engages respectfully and constructively with other municipal leaders (The Ethics Institute, 2023:12).

Based on the above, the code for ethical conduct in local government outlines a holistic framework for ethical local governance, grounded in constitutional values, leadership accountability, community service as well as institutional integrity.

4.11 RELEVANCE OF DESCRIBED LEGISLATIVE AND REGULATORY FRAMEWORK

The above-mentioned legislation and regulatory frameworks aim to promote uniformity in public procurement processes. If public officials could effectively implement the above-mentioned legislations and regulations, it could play a significant role in ensuring compliance with procurement processes. This chapter aimed at achieving the research objective: *to examine relevant legislative and regulatory framework guiding public procurement processes (cf. section 1.5)*. The above-mentioned legislations and regulations are relevant to this study, as they govern municipal procurement processes to foster compliance with the norms and objectives of a sound public procurement process. The legislations and regulations highlighted in this chapter promote diligent management of municipal finances and ensure effective and transparent governance. A sound legal framework for municipal procurement processes is a core element in improving municipal procurement processes and enhances service delivery. If the above-mentioned legislations are implemented effectively, they can promote the participation of previously discriminated individuals, SMMEs and QSEs in procurement processes. The aforementioned legislations and regulations are relevant and important to this study as they were developed to establish administrative and financial accountability in procurement processes to ensure that there is the strictest control possible to prevent fraud, favouritism towards certain suppliers, corruption, and unfair procurement practices.

4.12 CHAPTER CONCLUSION

In this chapter, the legislative and regulatory frameworks for public procurement were reviewed. The purpose of the discussed frameworks is to compel compliance with

these frameworks in procurement processes. The discussed legislative and regulatory frameworks also provided clear directions and instructions guiding procurement processes and how public procurement should be carried out in the best interests of the citizens. Therefore, in procurement processes, care should be taken to ensure that procurement processes are consistent with policy goals. From a legislative framework, it is apparent that, accounting officers and National Treasury must play a vital part in ensuring that legislations and regulations are complied with and procedures are followed in order to meet citizens' needs. The researcher will investigate how the new specific goals implemented such as historically disadvantaged individuals' ownership, women ownership, youth ownership, disability ownership, military veterans' ownership and locality ownership have empowered service providers by collecting data through interviews with participants at the Raymond Mhlaba Local Municipality.

CHAPTER FIVE

RESEARCH DESIGN AND METHODOLOGY

5.1 INTRODUCTION

Chapter five addresses the fourth objective of this study (cf. section 1.4). A brief overview of the research design and methodology for this study was provided in chapter one of this study (cf. section 1.6) and chapter five provides a more detailed discussion of these aspects. The research methods discussed in chapter five guided the researcher on the design and methodology followed in the research. Chapter five focuses on providing a thorough framework for the methods that were applied in the study. To address the objectives of the study and answer the research questions, the study adopted the qualitative research design. Furthermore, the data collection methods that were utilised in the study, are explained. The chapter therefore seeks to explain the procedures that were utilised in carrying out this research. In addition, the researcher in this chapter explains the target population, sampling and sampling method, data collection methods, data analysis and data analysis techniques, ethical considerations, trustworthiness of the research as well as the limitations of this study. The aforementioned aspects are explained to indicate how the study's boundaries were set.

Below is a discussion of the research design for this study.

5.2 RESEARCH DESIGN

This section discusses the research design that was used to guide the researcher during data collection to address the research problem. Kumar (2019:163) is of the opinion that, a research design is a strategy and method of investigation created to address research questions. The research plan consists of an outline of the stages the researcher will take from formulating the research questions through the final data analysis. Maree (2020:70) explains a research design by referring to it as a strategic framework or blueprint that guides the researcher in planning, implementing and controlling the research process to ensure valid, reliable and actionable results. It specifies the methods for data collection, sampling and analysis, while aligning with the study's objectives and research questions. In social sciences research, such as the current study, in order to answer research questions, three approaches are utilised; these being the quantitative, qualitative or mixed methods approaches (Leedy

& Ormrod, 2019:63). A mixed methods research combines qualitative and quantitative techniques to offer a more complete and in-depth understanding of complex issues (Ahmed, Pereira, & Kimberly, 2024:1). Quantitative research is a systematic approach that focuses on examining relationships between measurable variables. It is particularly useful for testing hypotheses and relies on statistical analysis to interpret data collected from large, usually randomly selected samples (Eden, Nielsen, & Verbeke, 2020:166). The qualitative approach was adopted in this study. Dawson (2019:78) explains that the qualitative approach is a method of research intended to provide diverse viewpoints on a social or human issue and is carried out in a natural setting with the aim of creating a complex and holistic picture of the phenomenon of interest. This is the reason the qualitative method was chosen, as it allows the researcher to explore the research topic in-depth. Specifically, it enables the collection of detailed information about the respondents' experiences and opinions, which helps answer the study's research questions. The qualitative approach was suitable for this study because it allowed the researcher to get a deep understanding and to build a more complete picture of the phenomenon being studied. The quantitative method was not suitable for this study because it does not allow for collecting in-depth information and interaction with participants, which were required to achieve this study's objectives.

The qualitative research methodology is explained below.

5.2.1 Qualitative research methodology

This section explains the qualitative research method that was adopted for this study, method for collecting data at the Raymond Mhlaba Local Municipality and justifies the choice of using the qualitative approach. Qualitative research is a method of inquiry that aims to comprehend a social or human problem from multiple viewpoints, with the aim of creating a comprehensive and complex understanding of the phenomenon of interest (Kumar, 2019:218). The choice of using the qualitative research method was to get a deeper understanding of the experiences of participants on control and oversight measures for ethical conduct in procurement processes. This is in line with Creswell and Creswell's (2018:181) assertion that one of the key features of qualitative research is focusing on the experiences of participants and the researcher tries to understand participants in terms of their own experiences. The qualitative data

collection techniques that were used in this study are individual interviews that enabled the researcher to interact with the respondents as well as document analysis.

The data collection techniques employed in this study are explained below.

5.2.1.1 Interviews

This section explains interviews as a method of data collection adopted in this study and provides a justification for the choice of interviews. An interview is a purposeful conversation between a researcher and a participant, designed to elicit detailed information, perspectives or experiences relevant to the study's objectives. It is a flexible yet structured method of data collection that allows for in-depth exploration of the participant's views, often adapting to their responses while maintaining focus on the research questions (Bless *et al.*, 2020:129). One-on-one interviews were held with 18 participants from the following sections: demand and acquisition management (eight participants), asset management (five participants) and project management (five participants) at the Raymond Mhlaba Local Municipality.

Leedy and Ormrod (2019:67) state that individual interviewing involves a researcher engaging with informants to gain insights into their perspectives on their lives, experiences or situations, as expressed in their own words. This method, which requires multiple interactions and extended time spent with the informant, assumes that a strong rapport between the researcher and informant will be built, fostering mutual understanding and trust, ultimately leading to the gathering of accurate information. Individual interviews were conducted to assess control and oversight measures for ethical conduct in procurement processes, to obtain a deeper understanding of the participants' perspectives.

Interviews were chosen to collect data in this study because, according to Pursell (2020:120), the interviewer can clarify the question in order to get meaningful answers if a respondent manifestly misunderstands the question. It was necessary to use interviews for this study because in an interview situation, according to Hershey (2022: 60), detailed information can be obtained by probing as this study required detailed information. The disadvantages of using interviews according to Kumar (2019:220) are that there may be interruptions and distractions experienced by the respondents

and interviewer whilst conducting the interview. The researcher addressed the mentioned disadvantages by asking for permission to use an appropriate venue available which was a boardroom to avoid distractions of ringing work telephones and walk-ins during the interview. Face-to-face interviews often occur in the natural environment and these were conducted by the researcher at the Raymond Mhlaba Local Municipality. Ahead of the interviews, the researcher prepared an interview schedule that guided discussions with participants.

Semi-structured interviews according to Recker (2020:191), entail open-ended questions based on the topic. Semi-structured interviews were conducted because of the advantage of being able to probe the interviewees to elaborate on their answers when obtaining their views in the demand and acquisition management, asset management and project management sections on control and oversight measures for ethical conduct in procurement processes at the Raymond Mhlaba Local Municipality. The researcher made an appointment with the interviewees to conduct the interviews at a time that was convenient to the interviewees. A voice recorder was used upon acquiring consent from the participants to record them and field notes were taken.

The second data collection technique that was deployed is document analysis which is explained below.

5.2.1.2 Document analysis

This section explains document analysis as an unobtrusive research technique for data collection. According to Creswell (2022:84) document analysis is a systematic process of reviewing documents, whether in printed or electronic form. Document analysis was chosen for this study for triangulation purposes. The data collected from interviews and data obtained from official documents was checked against each other to achieve trustworthiness of the data collected. Triangulation according to Clark, Foster, Sloan and Bryman (2021:175), is the process of using different techniques or data sources in qualitative research to fully comprehend a phenomenon. The use of triangulation enabled results to be verified from more than one viewpoint. The official documents that were analysed in the study are: bids and contracts management documents, asset management documents, project management documents and

score sheet documents used by the Raymond Mhlaba Local Municipality to score suppliers for specific goals (cf. section 2.5.1.4) and scoring for price when evaluating quotations, to get a thorough understanding of how scores are allocated to suppliers during the evaluation of quotations. The documents used to triangulate the data from interviews were: Auditor-General South Africa (AGSA) reports 2020/2021, 2021/2022 and 2022/2023 as well as the Raymond Mhlaba Local Municipality internal audit reports 2020/2021, 2021/2022, and 2022/2023.

The next section explains the target population.

5.3 TARGET POPULATION

This section describes the population that was targeted in this study. A target population is a group of individuals that the researcher intends to conduct research on and draw conclusions from (Bless *et al.*, 2020:127). According to George (2021:70) a target population is a group which a researcher would ideally prefer to obtain information from, to assist in answering research questions. The target population for this study was made up of officials from the following sections at the Raymond Mhlaba Local Municipality: eight officials out of ten officials in the demand and acquisition management, five officials out of seven officials in the asset management and five officials out of eight officials in the project management section as saturation was reached at those numbers. The above-mentioned officials were selected as they directly deal with procurement processes within the municipality.

The table below explains the study’s target population and the number of respondents who were chosen for interviews.

Table 5.1 Target population and number of respondents interviewed

TARGET POPULATION	NUMBER OF OFFICIALS	NUMBER OF RESPONDENTS
Demand and acquisition management officials	10	8
Asset management officials	7	5
Project management officials	8	5

N=18

The sampling and sampling method is explained below.

5.4 SAMPLING AND SAMPLING METHOD

This section explains sampling and the sampling methods that were adopted in this study. In qualitative research, sampling refers to the process of selecting individuals, groups or cases to study in order to explore, understand and explain social or human experiences (Ghauri, Gronhaug, & Strange, 2020:108). This study used non-probability sampling method (cf. section 5.4.1) because the researcher knew which sections in the Raymond Mhlaba Local Municipality are required for the study. There were ten officials in the demand and acquisition management section, and saturation was reached after interviewing eight officials. There were seven officials in the asset management section, and saturation was reached after interviewing five officials. There were eight officials in the project management section, and saturation was reached after interviewing five officials.

The sampling method that was used in the study is explained below.

5.4.1 Non-probability sampling

This section explains the sampling method that was deployed in the study which is non-probability sampling. According to Singh (2018:230) non-probability sampling is a sampling technique in which the researcher is aware of the likelihood of choosing a specific individual. Recker (2020:165) adds that the selection criteria used in a non-probability sampling method requires making assumptions about the population of interest. Non-probability sampling was appropriate for the study as the researcher was aware of who the relevant participants are and who will assist in providing relevant information towards answering the study's research questions. Purposive sampling was used as a non-probability sampling technique. Purposive sampling is described by Purssell (2020:98) as a technique where researchers select people or communities they believe will be useful or highly revealing for their research. Purposive sampling was chosen because the researcher had predetermined groups that the researcher wanted to study. Individuals from the demand and acquisition management, asset management and project management sections at the Raymond Mhlaba Local Municipality constituted the population of the study and were sampled as they deal with procurement processes directly. The participants from the Raymond Mhlaba Local Municipality provided information-rich responses which gave the

researcher the necessary and pertinent data to address the research problem. Hershey (2022:54) contends that information richness should be the rationale and power behind purposeful selection.

The next section explains how the collected qualitative data was analysed.

5.5 DATA ANALYSIS

This section explains how the data collected from respondents and official documents was analysed. According to Denzin and Lincoln (2018:207) data analysis entails breaking data down into its essential components to answer the research questions. Tan (2018:97) explains qualitative data analysis as the non-numerical evaluation and interpretation of observations to yield findings. The data analysis for this study included making large amounts of data manageable. Data was gathered through interviews with the participants who were purposively chosen and through document analysis. A descriptive explanatory content (thematic) analysis was employed to analyse the data. Since the purpose of this study was to highlight the daily experiences of the participants and views during the interview sessions, a descriptive explanatory method was found suitable. This study adopted Creswell and Creswell's (2018:179) six steps of data analysis for interviews, explained below:

- In the first step, the researcher listened to the voice recordings from interviews repeatedly until the researcher understood what each participant said. Each interview recording was transcribed, the collected data from interviews was organised according to individual participants.
- In the second step, the researcher re-read the transcribed data repeatedly to identify conflicting views, as there were conflicting views.
- In the third step, all relevant phrases that were pertinent to the research were marked.
- In the fourth step, the transcribed data was loaded into the ATLAS.ti 24 computer software, data was categorised in terms of common themes and patterns.
- In the fifth step, the researcher identified a connection between the themes, described and summarised the themes.

- In the sixth step, patterns and similar sets of ideas were organised into-sub-themes and compared in order to get the high-quality data required for successful data analysis.

The researcher analysed official documents from the following sections: bids and contracts management, asset management, project management and score sheets used to award points to suppliers when evaluating quotations. The researcher assessed the mentioned official documents, took notes of relevant information found in the official documents pertaining to this study and organised the data from the mentioned documents into categories to draw realistic conclusions from it. The researcher triangulated the data collected from interviews and data obtained from analysing official documents to achieve trustworthiness.

5.6 ETHICAL CONSIDERATIONS

The ethical implications of research involving human beings must be considered, when conducting research. This section explains the ethical aspects that the researcher observed. Kumar (2019:258) asserts that it is important to seek consent from respondents. The researcher only commenced data collection after ethics clearance was granted by the UNISA Ethics Review Committee and the ethics clearance certificate obtained for the study is attached as appendix A. The following ethical principles were observed in the study:

5.6.1 Informed consent

Tan (2018:123) provides that a researcher must adhere strictly to the informed consent principle. Prior to obtaining consent from participants, the objective of the study was explained to participants, as detailed in the participant information sheet, attached as appendix D. This allowed the participants to have a full understanding of what the study is about, in order to make informed decisions on whether to participate or not. Participants were also informed about their position in the research as well as their rights and obligations and also informed that they are free to withdraw their consent at any time if they feel uncomfortable.

5.6.2 Seeking sensitive information

Diana (2019:130) asserts that if people developed a gullible and self-centred attitude towards sharing particular information, no research would be feasible. The sensitivities

of the respondents should therefore be taken into consideration and as mentioned in the previous section, the type of information the researcher sought was clearly explained to the respondents.

5.6.3 Voluntary participation

Mouton (2021:152) asserts that voluntary participation means that participants are free to choose to participate without being forced or coerced. Participants in this study participated voluntarily without being coerced, meaning that they were not forced to take part in the research if they did not want to. The researcher explained to the participants that the decision to participate in the study is entirely theirs.

5.6.4 Avoidance of harm

Avoidance of harm in research is a key research principle according to Babbie (2021:283). The researcher respected the respondents' rights during data collection and did not expose the respondents to any danger.

5.6.5 Confidentiality and anonymity

Confidentiality is an essential ethical issue according to Hollensen (2019:120). The researcher protected the participants' privacy by a way of anonymity. It is unethical to disclose a respondent's identity to a third party for any reason, according to Kumar (2019:258). Confidentiality, according to Sheard (2018:172) refers to a situation where a researcher has recorded information that could identify participants but decides not to share it beyond the agreed limit. The information that was obtained from respondents was treated with confidentiality by using pseudonyms and avoiding any identification of participants.

5.7 TRUSTWORTHINESS OF THE STUDY

This section explains trustworthiness of the study. Establishing trustworthiness according to Ahmed (2024:1), is essential for validating the credibility and reliability of qualitative research outcomes. Trustworthiness was strengthened using triangulation. The researcher triangulated data obtained from interviews and document analysis to confirm trustworthiness. The interview guide was followed by the researcher to ensure that the interviews are consistent. Participants were allowed to be free and flexible in telling their experiences and were encouraged to be truthful during interviews to achieve trustworthiness of the research findings. The study's findings are not impacted by the researcher's biases as the researcher avoided being biased by using consistent

and neutral questions for all participants and by practicing reflexivity to acknowledge personal biases and the researcher also adopted triangulation to verify findings. The respondents' responses represent their genuine views. Fieldwork was conducted in a consistent manner thereby complying with the trustworthiness principle, that is required in research.

5.8 LIMITATIONS OF THE STUDY

This section explains the limitations of this study to show how the study's boundaries are set. The Raymond Mhlaba Local Municipality is the case study for the research. Towns such as Adelaide, Alice, Bedford, Balfour, Healdton, Katberg, Fort Beaufort, Hogsback, Middledrift and Seymore are served by the Raymond Mhlaba Local Municipality. The administrative seat of the municipality, along with the SCM and project management offices of the municipality, is situated in Fort Beaufort town, in the Eastern Cape province. The study was therefore limited to the Raymond Mhlaba Local Municipality's SCM and project management offices, which are situated exclusively in Fort Beaufort town.

5.9 CHAPTER SUMMARY

Chapter five considered the approaches and methods that were followed in conducting the research. The selected research design and methodology were explained and justified. The two main techniques for gathering data for this study being interviews and document analysis, were explained. Non-probability purposive sampling technique was employed as a sampling method to choose the respondents in this study and an explanation of how data was analysed was provided. Furthermore, ethical principles that were upheld in the process of collecting data were highlighted. Finally, how trustworthiness of the research was achieved was explained and lastly the limitations of the study were highlighted. The importance of triangulation in increasing and strengthening the trustworthiness of the data collected was emphasised. Triangulation is necessary in qualitative research for the success of a study, to enhance the trustworthiness of the data collected.

This chapter's significance lies in its emphasis on the research techniques required to conduct this study in order to get enriched information on control and oversight measures for ethical conduct in procurement processes at the Raymond Mhlaba Local

Municipality. The researcher described the research methods that were necessary to answers the study's research questions.

CHAPTER SIX

RESEARCH RESULTS: DATA ANALYSIS AND INTERPRETATION

6.1 INTRODUCTION

The fifth objective of this study, to analyse, interpret and present the data collected through interviews and document analysis, is considered in this chapter (cf. section 1.5). The data collected through interviews represents the perceptions and views of demand and acquisition management, asset management and project management officials at the Raymond Mhlaba Local Municipality (cf. section 5.2.1.1) on control and oversight measures for ethical conduct in procurement processes. The data from interviews was analysed and interpreted and is presented in this chapter. Documents from demand and acquisition management, asset management and project management sections at the Raymond Mhlaba Local Municipality (cf. section 5.2.1.2) were also analysed, interpreted and are presented in this chapter. The themes that were identified from the interviews and other secondary sources of information relating to themes from the literature on control measures for ethical conduct, procurement processes, ethical dilemmas during procurement processes, legislative and regulatory framework that guides procurement processes, lack of knowledge, skills and capacity and challenges faced when procuring goods and services which the researcher reviewed, are also considered in this chapter.

Qualitative data is often rich, subjective and composed of detailed written information. Reading a number of transcripts and looking for patterns or differences, is a necessary step in the analysis of qualitative data. Once themes are identified, categories are created (Miles, Huberman & Saldana, 2019:245). Data analysis according to Stevens (2023:118), comprises of breaking down data into its component parts to address research questions. Thematic analysis was employed to analyse the data collected through individual interviews. When trying to understand the experiences, concepts or behaviours present in data collection, thematic analysis is a suitable technique to use (Bazeley, 2020:72). The thematic analysis method was found suitable for the current study since the purpose is to understand the daily experiences of the participants and the views they provided during the interviews.

6.2 ADMINISTRATION OF FIELD WORK

This section describes the administrative processes followed to conduct fieldwork, highlighting the measures taken to ensure data quality and rigor. To address the research questions and to meet the study's objectives, two data sets were utilised:

- Individual interviews were conducted with eight demand and acquisition management officials, five asset management officials and five project management officials.
- Document analysis (cf. section 5.2.1.2) was conducted.

The documents that were analysed by the researcher are: bids and contracts management documents, asset management documents, project management documents and score sheet documents used by the Raymond Mhlaba Local Municipality to score suppliers for specific goals (cf. section 2.5.1.4) and scoring for price when evaluating quotations. These documents were analysed to get a thorough understanding of how scores are allocated to suppliers during the evaluation of quotations. The documents used to triangulate the data from interviews are Auditor-General South Africa (AGSA) reports for 2020/2021, 2021/2022 and 2022/2023 as well as the Raymond Mhlaba Local Municipality internal audit reports for 2020/2021, 2021/2022, and 2022/2023.

The following section considers the data analysis and interpretation process.

6.3 DATA ANALYSIS AND INTERPRETATION PROCESS

The process of qualitative data analysis involves coding, identifying patterns and developing themes to answer the research question or address the problem (Creswell & Creswells, 2018:181). Tan (2018:97) explains qualitative data analysis as the non-numerical evaluation and interpretation of observations to yield findings. In analysing the data from the interviews, thematic analysis was used in this study. Thematic analysis entails identifying, coding and categorising themes and patterns within a dataset, to gain a deeper understanding of the phenomenon being investigated (Braun & Clarke, 2022:83). This study utilised thematic analysis to analyse open-ended questions to uncover emerging patterns and themes. In analysing data from the interviews, themes were identified on the responses provided by the respondents

using the ATLAS.ti 24 qualitative data analysis software. The following steps were followed in analysing the data.

6.3.1 Preparing the data

In analysing data gathered from interviews, transcription is the first step as it enables the researcher to convert the spoken word into a written text that can be carefully examined and analysed (Flick, 2018:147). The researcher transcribed the data from the interviews recordings as a first step in the analysis procedure. Repeated listening was necessary to transcribe recordings and to capture every detail. The transcribed data was re-read repeatedly to identify conflicting issues.

6.3.2 Developing categories and a coding scheme

Coding is the process of assigning labels and categories to individual responses, enabling researchers to systematically analyse and interpret the data (Merriam, 2020:153). After carefully reading through the transcripts, the researcher started the coding and labelling process. Different coloured markers were utilised to differentiate between the sections of the transcripts assigned to each code. The interview questions in this study were open-ended and the respondents' responses yielded relevant data. Through the coding process, the relevant themes emerging from the interview transcripts were identified individually for each question. This revealed a pattern of the respondents' perspectives and opinions in response to the questions.

6.3.3 Drawing conclusions from the coded data

Once coding is completed, conclusions are drawn from the themes and patterns that emerge from the data (Bryant, 2019:128). Thematic analysis was employed to analyse open-ended interview questions to reveal key patterns and themes. The data from interviews was analysed using the ATLAS.ti 24 qualitative data analysis software. Responses to the interview questions were analysed individually and conclusions were drawn on the themes emerging from responses to each question.

6.3.4 Reporting of findings

In section A: Biographical information and section B: Interview questions (1), question one to question five of the interview schedules were the same for the demand and acquisition management, asset management and project management officials. In

section B: Interview questions (2), question one of the interview schedule was the same for the demand and acquisition management and asset management officials. Asking the various groups of participants the same questions achieved the goal of pinpointing areas of agreement or disagreement and added to the validation of the data, ensuring its credibility and trustworthiness. The researcher triangulated the data from interviews with data from official documents such as the bids and contracts management documents, asset management documents, project management documents, score sheet documents used to score suppliers for price and specific goals when evaluating quotations, the AGSA reports 2020/2021, 2021/2022 and 2022/2023 as well as Raymond Mhlaba Local Municipality internal audit reports 2020/2021, 2021/2022 and 2022/2023 in order to validate the data (cf. section 5.2.1.2).

6.4 REPORTING AND ANALYSIS OF FINDINGS

This section presents the analysis and interpretation of the results from interviews conducted with demand and acquisition management officials, asset management officials and project management officials. The main goal of conducting interviews with these officials was to gather data on the Raymond Mhlaba Local Municipality's control and oversight measures for ethical conduct in procurement processes, to enable the researcher to address the main research question and fulfil the study's main objective (cf. section 1.5).

The next section reports on the analysis of findings from the data collected through interviews and official documents.

6.4.1 Reporting and analysis of findings from data collected through interviews (demand and acquisition management officials)

The analysis of data collected in the demand and acquisition management section of the Raymond Mhlaba Local Municipality through interviews with eight demand and acquisition management officials, is presented below. In consultation with the supply chain manager, eight demand and acquisition management officials were identified, this was done due to that the sampling method adopted is purposive sampling. All eight demand and acquisition management officials were individually interviewed at the Raymond Mhlaba Local Municipality offices to gather data about control and oversight measures for ethical conduct in procurement processes. The individual

interviews conducted with the eight demand and acquisition management officials were recorded using a voice recorder upon acquiring consent from the participants to record them and field notes were taken. In the first phase of the analysis process, the researcher listened to the voice recordings from interviews repeatedly until they understood what each participant said.

Data from the recorded interviews conducted was transcribed and the researcher then checked the transcripts against the interview recordings for purposes of accuracy. The transcribed data was read repeatedly to identify possible conflicting views and there was one conflicting view on the challenges in the implementation of the PPPFA. All relevant phrases pertinent to the study were marked. The transcribed interview data was loaded into the ATLAS.ti 24 qualitative data analysis software. The data was categorised in terms of common themes and patterns. The researcher identified a connection between the themes, described them and summarised the themes. Patterns and similar sets of ideas were organised into sub-themes and compared in order to get the high-quality data required for successful data analysis.

The findings from the interviews with the demand and acquisition management officials are reported and interpreted below.

Section A: Biographical information

1. Indicate your years of service at Raymond Mhlaba local municipality.

Responses:

Years of service	Responses
0-5	3
6-10	4
10+	1

2. What is your title/position?

Responses:

Title/ Position	Responses
Demand and Acquisition Assistant Manager	1
Demand and Acquisition Management Officer	5
Demand and Acquisition Management Clerk	2

Section B: Interview questions

1. Control and oversight measures for ethical conduct

Question 1: Does the Raymond Mhlaba local municipality promote an ethical culture? If so, how does the Raymond Mhlaba local municipality do this? (An ethical culture according to Musiyarira (2020:49) encourages employees to act in a way that is right and proper while performing their public duties).

Literature review: cf. section 2.7: Ethical conduct in the public service.

Response: The common response from the respondents was that the Raymond Mhlaba local municipality does promote an ethical culture. The respondents added that, the municipality encourages employees to carry out their duties according to the code of conduct of the municipality. The respondents explained that the municipality communicates clear guidelines and consequences for unethical behaviour and

mentioned that the demand and acquisition management section do their work according to supply chain management prescripts. It was mentioned by **R2** that: “Yes, *the municipality promotes an ethical culture. The decisions and actions taken by the municipality are transparent, with clear accountability mechanisms in place.*” The view of **R6** was that, “Yes, *the municipality does promote an ethical culture by setting clear expectations for ethical behaviour among its employees.*”

Although the respondents agreed that the municipality does promote an ethical culture, however, audit reports from the Auditor-General South Africa (AGSA) for the financial years 2020/2021, 2021/2022 and 2022/2023 reflect recurring qualified audit opinions. The above-mentioned reports highlight that, the municipality incurred unauthorised, irregular, fruitless as well as wasteful expenditure, which was not investigated to establish accountability, as required by sections 32(2)(a) and (b) of the Local Government: Municipal Finance Management Act (MFMA). Furthermore, unauthorised expenditure was written off by the council as irrecoverable without conducting the necessary investigations to assess the potential for recovery, thereby violating section 32(2)(a)(ii) of the MFMA (AGSA, 2021:247, AGSA, 2022:117, AGSA, 2023:232).

From the researcher’s view, failure to conduct investigations into unauthorised, irregular, fruitless and wasteful expenditure suggests a lack in enforcement of accountability by holding responsible officials accountable. Such inaction directly violates key provisions of the MFMA and undermines the principles of accountability and transparency which are core pillars of an ethical culture. Not conducting investigations creates a culture where officials feel they can undermine ethical conduct and creates a culture where unethical behaviour is accepted or ignored which leads to an environment conducive to fraud and corruption.

Question 2: Which control measures are in place at the Raymond Mhlaba Local Municipality for procurement processes?

Literature review: cf. section 2.3: Control measures for ethical conduct in the public sector.

Response: The common view amongst the respondents was that the control

measures in place at the Raymond Mhlaba Local Municipality for procurement processes are internal controls such as segregation of duties to prevent an individual official from controlling the whole procurement process. Another control measure in place mentioned by the respondents is compliance checks and balances, authorisation and approval processes for purchase orders and expenditures. It was mentioned by **R4** that: *“The control measures in place for procurement processes at the Raymond Mhlaba Local Municipality are signing of confidentiality agreements stating that confidential and sensitive information shared during the tender processes cannot be divulged with third parties. Other control measures in place at the municipality for procurement processes are dividing tasks and responsibilities amongst officials to prevent an individual official from controlling the whole procurement process and to prevent fraud and corruption.”* Additionally, the respondents mentioned that other control measures relate to sending SCM officials for available training and workshops to equip SCM officials with the necessary knowledge and skills to comply with SCM regulations and best practices. The view of **R8** was that: *“Raymond Mhlaba Local Municipality has bid committees as a control measure in place for procurement processes to ensure fair and transparent evaluation of bids. Other control measures in place at the municipality are separating duties to prevent fraud and corruption, another control measure is SCM policies which are the Constitution of the Republic of South Africa, 1996, PPPFA; National Treasury Regulations; Local Government: Municipal Finance Management Act (MFMA), Government Immovable Asset Management Act (GIAMA) and the Broad-Based Black Economic Empowerment Act (BBBEEA).”*

In analysing the above responses, the respondents named the control measures in place at the Raymond Mhlaba Local Municipality for procurement processes. In the AGSA’s audit report of 2020/2021, however, the AGSA noted that the municipality failed to take necessary measures to prevent irregular expenditure, violating section 62(1)(d) of the MFMA. Most irregularities stemmed from non-compliance with SCM regulations as tenders were awarded to suppliers who are state employees, breaching section 112(i) of the MFMA and SCM Regulation 44. Despite similar issues identified by the AGSA in the previous year, effective controls were not in place to prevent or address non-compliance with legislation and procedures, such as SCM Regulation 38(1) (AGSA, 2021:116-118).

The repeated qualified audit findings highlight concerns that were raised in the prior year's audit findings, which indicates a lack of progress and attention to addressing the prior year's audit findings, suggesting a need for more effective corrective action. The common response from the respondents regarding the above AGSA's audit findings is that they are aware of the AGSA's audit findings, they are ensuring that procurement processes are followed, and the municipality has developed a corrective action plan since the 2022/2023 audit report. The researcher is of the view that, the respondents' acknowledgment of the AGSA's audit findings and the claim that procurement processes are now being followed is a positive step. The development of a corrective action plan following the 2022/2023 audit report also indicates a willingness to address deficiencies. However, the AGSA's repeated qualified audit opinions from 2020/2021 onward suggest that internal controls remain ineffective and that previous audit findings were not adequately addressed in a timely manner. This pattern reflects a reactive rather than proactive approach to governance and a lack of urgency in implementing sustainable corrective measures.

Question 3: Does the Raymond Mhlaba Local Municipality investigate institutional unethical occurrences such as fraud and corruption in procurement processes? If so, how is this done?

Literature review: cf. section 2.9.2: Fraud and corruption.

Response: The common response from the respondents was that, the municipality does investigate institutional unethical occurrences such as fraud and corruption in procurement processes. The respondents mentioned that the matter of fraud and corruption is brought forward in writing to the labour relations office for investigation. It was explained by **R1** that: *“Yes, the municipality does investigate unethical occurrences. The municipality sanctions an investigation to be conducted by forensic investigation if there are allegations of fraud and corruption. When the investigation has been completed, an investigation report with findings and recommendations are given to the municipality by the investigators for implementation. The accused official is then called for a disciplinary hearing.”* The respondents added that, investigators are appointed and the accused official after the investigation has been completed is called for a disciplinary hearing. The feedback of **R2** was that: *“Yes, allegations of*

fraud and corruption are a gross misconduct, the municipality does investigate such. Fraud and corruption allegations are also reported to the South African Police Services (SAPS) so that jurisprudence may also take its course depending if there is a prima facie case thereof.” All the respondents could not provide the number of officials who have been investigated, stating that it is officials in the labour relations office that maintain the records of disciplinary cases which are not made available to officials not working in the labour relations office due to the sensitive nature of the information.

In analysing the above responses, the respondents confirmed that the municipality does investigate institutional unethical occurrences such as fraud and corruption in procurement processes. This is a positive indicator of the municipality’s commitment to upholding ethical standards and it suggests that there are systems and processes in place to address and rectify misconduct, which is crucial for maintaining accountability and transparency. The researcher also notes that, simply investigating institutional unethical occurrences does not guarantee long-term effectiveness unless the investigations lead to actionable outcomes. The respondents have confidence in the investigation processes, which indicates that, they perceive the municipality’s approach as transparent and fair. The respondents mentioned that they do not know the number of officials who have been found to have acted unethically and disciplined as it is the labour relations office that keeps such information and that information could not be made available to the researcher due to privacy and confidentiality concerns.

Question 4: In your view, what could be the root causes of unethical behaviour in procurement processes in the Raymond Mhlaba Local Municipality?

Literature review: cf. section 2.9: Ethical issues during procurement processes.

Response: The common response from the respondents was that personal gain and the desire for personal benefit from acts such as bribes or favours are the root causes of unethical behaviour in procurement processes. The respondents added that, when there is pressure to meet deadlines that can lead to taking shortcuts such as splitting purchase orders to avoid National Treasury threshold values or oversight. ‘Splitting purchase orders’ refers to the practice of dividing a large purchase into smaller,

separate orders to avoid competitive bidding or open competition and to bypass scrutiny from internal or external auditors. It was mentioned by **R7** that: *“Rushing procurement decisions leads to unethical behaviour in procurement processes. The complexity of procurement processes leads to confusions and results in unethical behaviour in procurement processes. The most common unethical behaviour in procurement processes is accepting gifts and favours from suppliers.”*

Another root cause of unethical behaviour mentioned by the respondents is conflict of interest when an official who is involved in procurement processes has a personal relationship with a supplier, that leads to unfair advantages towards that supplier. It was mentioned by **R3** that: *“The root cause of unethical behaviour in procurement processes is misusing emergency procurement procedures which waives competitive bidding requirements. ‘Emergency procurement’ is used to rapidly acquire goods or services in response to an unexpected event or situation that requires immediate attention to prevent further damage. Drafting bid specifications in a manner that favours a specific supplier or product is another root cause of unethical behaviour.”*

The respondents added that, not rotating suppliers and favouring certain suppliers is another root cause of unethical behaviour during procurement processes. ‘Rotating suppliers’ refers to the practice of using different suppliers on the database to ensure equal opportunities for all the suppliers on the database. The respondents further mentioned that, colluding with suppliers to manipulate quotation and tender prices or outcomes of quotations and tenders is another root cause of unethical behaviour during procurement processes. ‘Colluding with suppliers’ refers to sharing confidential information with suppliers to fix their bidding price so that the supplier wins the tender. It was mentioned by **R8** that: *“Inadequate supervision and monitoring during procurement processes is a root cause of unethical behaviour. The urgency to achieve goals leads to taking shortcuts which is another root cause of unethical behaviour. Also, conflict of interest whereby a procuring official leaks confidential information to a supplier and manipulates procurement processes.”*

From the researcher’s analysis, the above-mentioned root causes of unethical behaviour in procurement processes indicate that, unethical behaviour is deeply ingrained in the procurement process and insufficient oversight and inadequate control

mechanisms enable unethical behaviour. It is observed by Mahlangu (2019:33) that, procurement is more prone to corruption than other areas, primarily because it offers numerous opportunities for unethical behaviour and the potential for significant personal gain. From the researcher's view, procurement is particularly vulnerable to corruption due to its high value transactions and multiple decision points, which create ample opportunities for unethical conduct and personal enrichment.

In the AGSA's 2022/2023 audit report it is noted that, in the Raymond Mhlaba Local Municipality, tenders were awarded to suppliers who are state employees, contrary to the provisions of the MFMA 112(i) and SCM Regulation 44. Similar awards were flagged in the previous year, but effective corrective actions were not taken to prevent further non-compliance with SCM legislation and Regulation 38(1). A tender was awarded to an employee of the municipality, who owns a company that contracts with the municipality for services aligned with the employee's duties (AGSA, 2023:116-118).

The Raymond Mhlaba Local Municipality internal audit report 2022/2023 highlighted the following discrepancies:

- An employee of the municipality was doing business with the municipality.
- State employees from other state institutions were found to be doing business with the municipality (Raymond Mhlaba Local Municipality, 2023:8).

From the researcher's analysis, the above-mentioned findings from the AGSA's 2022/2023 audit report and the municipality's 2022/2023 internal audit report show that other bidders have been disadvantaged by the state employees who were awarded tenders. The procurement process was not in line with section 217(1) of the Constitution of the Republic of South Africa, 1996 and section 112(i) of the MFMA, which respectively states that when state organisation contract for goods and services, the procurement process must be fair, transparent, competitive, equitable and cost effective (National Treasury, 2015:75). SCM Regulation 44, which states that a tender may not be awarded to a state employee, is also violated by the aforementioned non-compliance. This suggests insufficient oversight and enforcement of policies and regulations in the municipality.

Question 5: Are there strategies in place to curb unethical behaviour in procurement processes in the Raymond Mhlaba Local Municipality?

Literature review: cf. section 2.10: Measures to ensure ethical conduct.

Response: The common response from the respondents is that there are strategies in place to curb unethical behaviour during procurement processes in the Raymond Mhlaba Local Municipality. The strategies in place mentioned by the respondents are clear SCM policies such as the MFMA, Constitution of the Republic of South Africa, 1996, PPPFA, B-BBEEA and National Treasury Regulations. The respondents further mentioned other strategies in place such as procedures that define procurement processes and guidelines for procurement processes. It was mentioned by the respondents that, officials dealing with procurement processes are required to disclose potential conflicts of interest as a strategy in place to curb unethical behaviour during procurement processes and they added that another strategy used is enforcing consequence management by holding officials accountable for unethical behaviour and by doing investigations on reported unethical behaviour leading to disciplinary hearings for officials found to have acted unethically. It was mentioned by **R4** that: *“Yes, there are strategies in place such as the signing of confidentiality agreements stating that confidential and sensitive information shared during the tender processes cannot be divulged with third parties. SCM policies are also a strategy in place, which are the Constitution of the Republic of South Africa, 1996; MFMA; PPPFA; GIAMA; National Treasury Regulations and BBEEA.”* The view of **R6** was that: *“Yes, there are strategies in place such as the internal audit section which checks for compliance and ensures adherence to SCM procedures.”*

The respondents mentioned the above strategies in place to curb unethical behaviour during procurement processes. The AGSA’s 2021/2022 audit findings show that the Raymond Mhlaba Local Municipality’s leadership failed to effectively oversee the implementation and monitoring of internal controls, resulting in inadequate financial management, performance and legislative compliance (AGSA, 2022:113). Failure to comply with SCM regulations led to most of the irregular expenditure incurred. The audit action plan developed by leadership did not fully address the prior year’s audit findings, resulting in repeated audit findings (AGSA, 2022:113-116).

From the researcher's analysis, the above-mentioned audit reports show that, the strategies in place at the Raymond Mhlaba Local Municipality mentioned by the respondents to curb unethical behaviour during procurement processes, have not proven to be effective. Internal control deficiencies and non-compliance with legislation increase the risk of fraud and corruption. A common response from the respondents concerning the AGSA's audit findings mentioned above is that they acknowledge the AGSA's audit findings and express commitment to address all the highlighted issues. From the researcher's view, the respondents' acknowledgment of the AGSA's audit findings and their expressed commitment to address the issues is a positive indication of intent. However, the recurrence of similar findings, particularly related to weak oversight, non-compliance with SCM regulations and ineffective implementation of audit action plans suggests that acknowledgement alone has not translated into meaningful corrective action. This points to a gap between commitment and execution, highlighting the need for stronger leadership accountability and more robust monitoring mechanisms to ensure that identified issues are resolved rather than repeated.

2. Procurement processes

Question 1: How does the Raymond Mhlaba Local Municipality procure its goods and services?

Literature review: cf. section 2.5: Procurement processes in the public sector.

Response: All the respondents agreed that goods and services at the Raymond Mhlaba Local Municipality are procured through the amended National Treasury, 2021 threshold values:

- Petty cash purchases are used for procuring up to the value of R2 000,00.
- Written or verbal quotations are used for procurement of the value over R2 000,00 up to R10 000,00.
- Formal written price quotations are used for procurement of the value over R10 000,00 up to R300 000,00.
- Competitive bidding process are used for procuring above the value of R300 000,00.

The respondents mentioned the above amended procurement threshold values that are used by the Raymond Mhlaba Local Municipality to procure its goods and services. In analysing the above-mentioned amended procurement threshold values, they were found to be in line with SCM Regulation 12(1) which makes provision for the procurement of goods and services by way of petty cash, written or verbal quotations, formal written price quotations and competitive bidding process within the threshold values as determined by the National Treasury in 2021. The AGSA's audit report of 2021/2022, however, points out that the procurement process in the Raymond Mhlaba Local Municipality contravened SCM Regulation 19(a) by failing to invite competitive bids for transactions over R200 000.00 and written price quotations were not obtained for procurement of below R200 000.00. The requirement to invite competitive bids for transactions over R200 000.00 and price quotations for transitions below R200 000.00 was as per the 2007 National Treasury threshold values, which were in effect prior to the current amendments of National Treasury, 2021 threshold values. Failure to invite competitive bids and written price quotations contravened SCM Regulations 17(1)(a) and (c). According to the AGSA report, the accounting officer approved these deviations, despite it being feasible to invite competitive bids thus being in contravention of SCM Regulation 36(1) (AGSA, 2022:114).

From the researcher's analysis, procurement without following threshold values may result in irregular expenditure and non-compliance with SCM regulations suggests inadequate transparency and accountability in their procurement processes. Approving deviations when it is not impractical to invite competitive bids raises suspicion of favouritism towards certain suppliers and this action indicates disregard for SCM Regulation 36(1) which requires deviations to be done in cases of emergency and if the goods or services are only available from a single service provider.

The AGSA's 2021/2022 audit findings show that, it was not impractical to invite competitive bids and not inviting competitive bids contravenes the principles of section 217(1) of the Constitution of the Republic of South Africa, 1996, which are fairness, equity, transparency, competition and cost effectiveness. Deviations when it is not impractical to invite competitive bids undermines the integrity of procurement processes. The municipality received a similar finding of non-compliance in the prior year as per the AGSA's 2021/2022 audit report and this is a concern because the

recurring findings mean that the municipality has not addressed the root causes of the non-compliance and despite previous findings, the municipality has not taken sufficient corrective measures. The respondents' common response to the issue of similar findings by AGSA of non-compliance is that the internal audit section is following up on prior years AGSA's audit findings to ensure that internal controls are monitored regularly.

The Raymond Mhlaba Local Municipality internal audit report 2020/2021 highlighted that some of the goods and services below R200 000.00 in value were purchased without obtaining the required price quotations, in contravention of SCM Regulations 17(1) (a) and (c) (Raymond Mhlaba Local Municipality, 2021:27). From the researcher's analysis, the above-mentioned internal audit finding indicates a lack of effective oversight and monitoring. When there is a lack of effective oversight and monitoring, it creates a gap for misuse of funds and resources.

Question 2: In what way have the new specific goals implemented (historically disadvantaged individuals, women, youth, disability, military veterans, locality) empowered service providers?

Literature review: cf. section 2.5.1.4: Assessment and evaluation of tender documents.

Response: The common theme from the respondents was that the specific goals have increased the chances of local businesses owners in doing business with the state as they are scoring locality points for their businesses which have business addresses within the municipality. The view of **R8** was that: *“Specific goals have empowered service providers living with disabilities by gaining recognition and increased sense of purpose and fulfilment. Female business owners have been empowered as they are taking part in economic activities.”* The respondents added that the social status of local business owners is enhanced and that they gain respect due to their growing businesses and the pride of being able to employ the locals. The respondents mentioned that the participation of the youth in economic activities has increased since they are scoring points for being youth. It was mentioned by **R6** that: *“Military veterans who are service providers have been empowered by their*

recognition and appreciation for military service.” The respondents further mentioned that females who are business owners are also empowered as they score points for being female business owners and thus become role models to other women. The respondents continued to add that, historically disadvantaged individuals are empowered as they score points for being historically disadvantaged which gives them more advantage on doing business with the state.

The researcher analysed score sheet documents where specific goals were allocated to suppliers. In six score sheet documents, suppliers who did not provide proof of address were allocated specific goals points for locality. This is in contravention with section 4(1) of the PPR, 2022 which states that, preference points must be allocated in terms of the specific goals stated in the tender, the tenderer will be allocated points based on supporting proof or documentation stated in the tender document (cf. section 2.5.1.4). From the researcher’s analysis, the incorrect allocation of specific goals points to suppliers creates an impression of favouritism and failure to follow preferential procurement regulations.

Question 3: Does the Raymond Mhlaba Local Municipality follow the Preferential Procurement Policy Framework Act, 5 of 2000 (PPPFA) when procuring goods and services?

Literature review: cf. section 2.5.1.4: Assessment and evaluation of tender documents.

Response: The common responses from the respondents was that, the Raymond Mhlaba Local Municipality does follow the PPPFA when procuring goods and services. According to the respondents, this is done by aligning procurement processes with the PPPFA’s requirements for preferential procurement and recognising local businesses and promoting B-BBEE. It was mentioned by **R2** that: *“Yes, the PPPFA is followed when procuring goods and services. A market research analysis is conducted, and potential suppliers are identified. Requests for quotations and tenders are advertised and are evaluated based on the PPPFA criteria of 80/20 and 90/10-point scoring.”*

The Raymond Mhlaba Local Municipality’s internal audit report 2022/2023 shows that,

the preference point system was not properly applied during bid evaluation (Raymond Mhlaba Local Municipality, 2023:19). The AGSA's audit findings of 2022/2023 show that non-compliance with the PPPFA section 2(1)(a) was identified due to incorrect allocation and calculation of preference points. Section 2(1)(a) of the PPPFA was violated, which states that, a preference point system must be followed (AGSA, 2023:232). The AGSA's audit reports of 2020/2021 and 2021/2022 reveal that tenders were improperly awarded to bidders using evaluation criteria that differed from the original bidding invitation, in contravention of SCM Regulations 21(b) and 28(1)(a)(i) and the PPR. This non-compliance was also identified in the previous year (AGSA, 2021:247, AGSA, 2022:114).

From the researcher's analysis, the AGSA's audit findings of 2020/2021 and 2021/2022 and the Raymond Mhlaba Local Municipality internal audit report 2022/2023 suggest that the municipality is not following a transparent and fair procurement process which may lead to an unfair advantage to certain bidders and lack of competitiveness. This non-compliance was also reported in the prior year, indicating a recurring issue. The researcher is of the view that, from the above audit findings, internal controls need to be re-evaluated and strengthened and monitoring and reporting mechanisms need to be enhanced.

Question 4: Are there challenges in the implementation of the PPPFA in the Raymond Mhlaba Local Municipality? If there are, how are they being addressed?

Legislative and regulatory framework: cf. section 4.4: Legislative and regulatory framework that guides procurement processes in the South African public sector.

Response: The respondents had differing views about the challenges in the implementation of the PPPFA. There are two themes that emerged from the interviews:

- In the first theme the respondents mentioned that there are no challenges in implementing the PPPFA as the respondents attend training and workshops on SCM to keep up to date with changes and new requirements of the PPPFA. It was mentioned by **R1** that: *“No, there haven't been challenges in the*

implementation of the PPPFA because of the clear understanding of the PPPFA regulations.” The view of R2 was that: “No, there are no challenges in implementing the PPPFA, we apply lessons learned from past challenges.”

- In the second theme the respondents mentioned that the challenge they face with implementing the PPPFA is being able to adapt to changes and amendments to the PPPFA but that this is addressed by attending SCM workshops and training. The view of R5 was that: *“Yes, there are challenges in the implementation of the PPPFA, there is limited knowledge and interpretation of the PPPFA’s requirements and regulations. These challenges are addressed by attending training on SCM to stay up to date with regulatory changes.”*

The researcher’s view of the above challenges mentioned by the respondents is that limited knowledge and interpretation of the PPPFA may lead to unintentional non-compliance with the PPPFA. Capacity constraints and regulatory uncertainty may result in inefficient procurement processes and the lack of expertise and regulatory uncertainty increases the risk of irregularities in procurement processes. The fact that some respondents do not believe that there are challenges in implementing the PPPFA could be due to confidence from training and experience. Regular participation in workshops and training may give them a strong understanding of the regulations, leading them to feel well-equipped and unaffected by challenges. As noted by R2, they may be applying lessons learned from past difficulties, which makes current implementation smoother and seemingly problem-free. Another reason could be different levels of involvement in procurement processes. The respondents may not be directly exposed to more complex or problematic areas of procurement, limiting their awareness of existing challenges.

Question 5: Does the Raymond Mhlaba Local Municipality follow the Broad-Based Black Economic Empowerment Act, 53 of 2003 (B-BBEEA) when procuring goods and services?

Legislative and regulatory framework: cf. section 4.5: Legislative and regulatory framework that guides procurement processes in the South African public sector.

Response: Two themes emerged from the interviews:

- The respondents in the first theme agreed that the municipality follows the B-BBEEA when procuring goods and services and this is done by aligning procurement processes with the B-BBEEA's requirements for B-BBEE. The B-BBEEA is also followed by giving preference to suppliers with high B-BBEE scores, utilising the Department of Trade and Industry's (DTI) B-BBEE scorecard to measure and evaluate suppliers' B-BBEE status and verifying suppliers' B-BBEE status through the DTI. It was mentioned by **R6** that: *“Yes, the municipality does follow the B-BBEEA when procuring goods and services. B-BBEE is complied with, economic transformation is promoted and historically disadvantaged individual's, SMMEs and cooperatives are empowered.”*
- In the second theme that emerged from the interviews, the respondents agreed that the Raymond Mhlaba Local Municipality follows the B-BBEEA when procuring goods and services but there are instances of failing to verify the authenticity of B-BBEE certificates because of the high volume of B-BBEE certificates to verify.

The respondents confirmed that the local municipality follows the B-BBEEA when procuring goods and services. The tender documents analysed by the researcher did include the B-BBEEA evaluation criteria and that bidders do attach their B-BBEE certificates as proof that they qualify for B-BBEE points. The scorecards are used correctly as they align with the DTI's guidelines and include ownership, management control, skills development, enterprise and supplier development and socio-economic development. There is consistent application of the scorecards across the tender documents analysed and points were awarded correctly based on the bidders' documentation and evidence, however, not all the tender documents had B-BBEE verification reports.

In the second theme that emerged from the interviews, the respondents agreed that the Raymond Mhlaba Local Municipality follows the B-BBEEA when procuring goods and services but there are instances of failing to verify the authenticity of B-BBEE certificates because of the high volume of B-BBEE certificates to verify. In the researcher's view, failure to verify the B-BBEE certificates contravenes the PPPFA,

undermines the integrity of the procurement process and increases the risk of accepting fraudulent or invalid B-BBEE certificates. Unverified B-BBEE certificates can give an unfair advantage to bidders with fraudulent or invalid certificates and can enable fronting practice, where non-compliant B-BBEE entities pose as B-BBEE compliant. If B-BBEE certificates are not verified, that can lead to awarding tenders to non-compliant B-BBEE bidders.

Question 6: Are there challenges in the implementation of the B-BBEEA in the Raymond Mhlaba Local Municipality? If there are, how are they being addressed?

Legislative and regulatory framework: cf. section 4.5: Legislative and regulatory framework that guides procurement processes in the South African public sector.

Response: The common response from the respondents was that there are challenges in the implementation of the B-BBEEA, which is the difficulty in identifying and detecting fronting whereby a company falsely claims to meet black economic empowerment requirements to be awarded tenders. It was mentioned by **R7** that: *“Yes, there is a challenge of managing fronting and misrepresentation. To address this challenge, B-BBEE certificates are verified to see indicators of fronting such as unclear ownership structures, discrepancies between B-BBEE certificate information and company records and unexplained changes in ownership or management.”* The view of **R4** was that: *“Yes, there is a challenge of failing to verify the authenticity of B-BBEE certificates because of the high volume of B-BBEE certificates to verify. This challenge is addressed by confirming B-BBEE certificate authenticity with issuing agencies that are accredited by the South African National Accreditation System (SANAS). Other means to address the mentioned challenge is outsourcing B-BBEE certificates verification to specialised B-BBEE verification companies.”*

The respondents mentioned that another challenge is limited capacity to conduct effective monitoring of B-BBEE compliance. The respondents added that, there are challenges in balancing B-BBEE compliance with other procurement considerations such as cost and quality and that the mentioned challenges are addressed by identifying areas for improvement, ensuring procurement processes support B-BBEE objectives as well as attending SCM training and workshops.

From the researcher's analysis of the above-mentioned challenges faced by the respondents in implementing the B-BBEEA in the Raymond Mhlaba Local Municipality, it can be deduced that, difficulty in detecting fronting increases the risk of non-compliant bidders benefiting from initiatives aimed at promoting B-BBEE. Limited capacity for effective monitoring and enforcement poses a risk to achieving the objectives of B-BBEE. Inadequate monitoring and enforcement increase the risk of fraud and corruption and the failure to effectively implement and monitor B-BBEE compliance may result in non-compliance with regulations.

Question 7: Does the Raymond Mhlaba Local Municipality follow National Treasury Regulations when procuring goods and services?

Legislative and regulatory framework: cf. section 4.6: Legislative and regulatory framework that guides procurement processes in the South African public sector.

Response: Two themes emerged from the interviews:

- In the first theme, the respondents agreed that the Raymond Mhlaba Local Municipality follows the National Treasury Regulations when procuring goods and services by adhering to regulations such as those related to procurement, tendering and contract management. The respondents added that by promoting transparency and accountability throughout the procurement process and monitoring and adapting to changes in National Treasury Regulations, the municipality follows these regulations. The view of **R4** was that: *“The municipality conforms to National Treasury Regulations during the procurement of goods and services. The municipality monitors and adapts to changes in National Treasury Regulations.”* It was mentioned by **R5** that: *“National Treasury Regulations are followed by the municipality when procuring goods and services, by ensuring transparency, accountability and value for money throughout the procurement process.”*
- In the second theme, the respondents agreed that the Raymond Mhlaba Local Municipality follows the National Treasury Regulations when procuring goods

and services, but when there are frequent changes to regulations it makes it difficult to do so. They also indicated that there are instances of failing to use the new prescribed standardised bidding documents which makes it difficult to follow and adapt to changes in the National Treasury Regulations.

The researcher analysed bidding documents and found that some of the standard bidding documents used were the outdated ones which are no longer in use. Some officials might be having challenges in adapting to the new requirements because of complexity of new regulations. The inability to adapt to changes in regulations indicates slow adaptation to new requirements and failure to adapt to changes increases the risk of non-compliance with National Treasury Regulations. Mandatory training and workshops on SCM should be attended to help procuring officials adapt to changes to National Treasury Regulations and ensure compliance and effective public procurement.

Question 8: Are there challenges in the Raymond Mhlaba Local Municipality in the implementation of National Treasury Regulations? If there are, how are they being addressed?

Legislative and regulatory framework: cf. section 4.6: Legislative and regulatory framework that guides procurement processes in the South African public sector.

Response: The common response from the respondents was that frequent changes to the National Treasury Regulations create uncertainty and challenges in implementing the National Treasury Regulations. The respondents further mentioned that staying up-to date with the latest changes is challenging and creates a challenge in the implementation. The view of **R1** was that: *“There is a challenge of effectively communicating changes in National Treasury Regulations to service providers. Communicating these changes to service providers during bids briefing sessions has addressed this challenge.”* It was mentioned by the respondents that end-users also take time to adapt to the new processes when they submit requests for procurement of goods and services. It was mentioned by **R3** that: *“Yes, there is a challenge such as resistance to change from the side of end-users who still want to do things the outdated way. Meetings with end-users to explain the new processes of procuring*

goods and services addresses this challenge.” The view of **R6** was that: *“There is a challenge of still using the outdated standard bidding documents which are no longer in use, whilst trying to adapt to new changes in National Treasury Regulations. Attending training and workshops on SCM assists in addressing this problem.”* According to the respondents, these challenges are addressed by attending training and workshops on SCM and sharing the knowledge received from the training and workshops with end-users during meetings and with service providers during bids briefing sessions.

In analysing the above responses, the respondents’ way of addressing the challenges they have in implementing National Treasury Regulations is by attending training and workshops. This demonstrates willingness to seek knowledge and solutions. Training and workshops provide a platform for clarification and guidance on regulatory changes and staying up to date with regulatory changes. It is important to note, however, that training and workshops alone may not be sufficient without implementation and follow-up actions. Training and workshops may not necessarily lead to meaningful change if the knowledge acquired is not translated to meaningful implementation and change.

Question 9: Does the Raymond Mhlaba Local Municipality provide training and workshops for employee development? If so, what type of training and workshops are provided to employees?

Literature review: cf. section 2.6.1: Lack of knowledge, skills and capacity.

Response: The common theme from the respondents was that the municipality provides training and workshops to its employees. The respondents explained that the municipality’s training and development committee meets every quarter to discuss the training and workshops needed for its employees. The respondents further explained that the Public Service Sector Education and Training Authority (PSETA) provides funding to municipalities for training and workshops. Employees are nominated by the municipality for training and workshops, and quotations are requested from training providers who provide the relevant training and workshops. The respondents added that the type of training and workshops that the demand and acquisition management officials have been sent to by the municipality through training providers are on:

governance and compliance, municipal administration and management, service delivery and quality management and risk management and internal control.

The respondents continued to explain that the Provincial Treasury invites municipalities for available training and workshops and each municipality nominates employees to attend training or workshop based on the invited number of officials who may attend from that particular municipality. The respondents mentioned that a consolidated list, per district municipality, of attendees is sent to the Provincial Treasury. The respondents added that the type of training and workshops that the demand and acquisition management officials have been invited to, by the Provincial Treasury each year are: *SCM, bid committees, demand management, acquisition management, ethics and governance in the public sector, contract management, strategic sourcing, risk management, internal control and leadership and management development.*

The researcher's view is that the above responses indicate that the municipality recognises the importance of training and development for its employees. Providing training and workshops demonstrates a proactive approach to addressing capacity gaps and staying up to date with regulatory changes. The municipality is investing time and resources in their employees' growth and development. Training and workshops may lead to improved job performance, productivity and overall service delivery and may help address specific knowledge and skill gaps identified within the municipality. It may also improve employees' understanding of regulations and their role in compliance as well as risk management. It is essential to consider that training should be provided regularly to keep pace with changing regulations and needs as well as encourage employees to participate and engage in training and workshops. It is also important for the municipality to regularly assess the impact and effectiveness of training and workshops.

Question 10: Are training assessments done to determine if the training and workshops provided to employees have proven to be effective?

Literature review: cf. section 2.6.1: Lack of knowledge, skills and capacity.

Response: The common response from the respondents was that training assessments are done to determine if the training and workshops provided to employees have been effective. The respondents explained that individual training assessments are done in the form of portfolio of evidence (POE) to assess the effectiveness of training programs and workshops. A POE is a collection of documents that a learner compiles to show competence against set assessment criteria and these POEs are completed after the training and workshops have been completed and signed by the supervisor. The POEs are then submitted through a courier to the training or workshop facilitator to mark the training assessments.

The respondents mentioned that not all officials manage to complete the POEs since they are taken home and done when the training has been completed. The respondents indicated that this is due to people getting busy and not getting enough time to complete the POEs. Most of the time the POEs are not submitted for assessment because officials do not feel invested in the training or its outcomes because there are no clear consequences for non-submission and non-completion of POEs. It was mentioned by **R7** that: *“Yes, assessments are done to determine if the training or workshops provided to officials have been effective. Officials are to complete assessments when the training or workshop is done. The assessments are marked by the facilitator who conducted the training or workshop. For that specific training or workshop, certificates are awarded to all the officials who have successfully completed the POEs, those officials who did not submit their POEs do not get any certificate for the training or workshop.”* The respondents also mentioned that officials who have passed the assessment receive a certificate for that particular training or workshop programme.

From the researcher’s view, it is clear that some officials do not feel accountable to provide feedback on the training and workshops by way of completing the POEs. It was mentioned by **R4** that: *“Yes, POEs are used to evaluate the effectiveness of workshops and training attended by officials. The POEs are taken home and completed after the training or workshop has been completed. POEs are submitted for assessment to the training facilitator. Some officials do not submit POEs or submit incomplete POEs because of being busy and not finding time to finish them. Officials who have successfully completed the POEs get a certificate for that specific workshop*

or training attended.” The municipality may not receive comprehensive feedback if POEs are not completed, checked and signed by supervisors. This is a challenge in assessing training and workshops effectiveness because without feedback in the form of POEs from officials who attended the training and workshops, the municipality may miss opportunities to refine and improve on choosing the relevant training programs to send officials to. Incomplete assessments may lead to inaccurate conclusions about the effectiveness of training and workshops.

Question 11: What challenges do you face in procurement processes?

Literature review: cf. section 2.6: Challenges faced by the South African public sector when procuring goods and services.

Response: The common response from the respondents on challenges faced during procurement processes was that there is a shortage of budget which limits procurement options. The respondents mentioned that there is also a challenge of non-responses from suppliers when requesting for quotations and having to re-advertise the tender and that when fewer suppliers respond to requests for quotations, it leads to higher prices being quoted by the few suppliers and that is a challenge. There is also a challenge of suppliers who do not meet specification requirements and frequent changes in procurement requirements causing confusion and delays in procurement processes. The respondents mentioned that they are experiencing suppliers who acknowledge receipt of purchase orders but fail to deliver the ordered items and not respond to efforts to cancel the order. Another challenge mentioned by the respondents is the late submission of procurement request documents by end-users for procurement of goods and services resulting in deviation from normal procurement processes using emergency deviations. There is a challenge of poor communication between end-users and the SCM section causing misunderstandings and delays. Another challenge that the respondents mentioned is inadequate planning and research about the market and the product to be procured, leading to poor procurement decisions. There is a challenge of not getting a supplier for a particular item and underperforming service providers who negatively affect service delivery by their underperformance as well as suppliers who are not tax compliant.

From the researcher's viewpoint, the above-mentioned challenges faced in procurement processes indicate underlying issues in the municipality's procurement processes. These underlying issues include financial constraints as **R1** mentioned that: *"The challenge we face during procurement processes is the shortage of budget which limits procurement options."* From the researcher's analysis, the shortage of budget limits the municipality's ability to procure quality goods and services. Late submission of procurement requests by end-users in the municipality indicates a lack of planning by end-users and causes delays in the procurement process and negatively impacts delivery timelines. Poor communication between end-users and the municipality's SCM section may lead to misunderstandings, errors and delays in procuring goods and services.

Poor planning and research may lead to poor procurement decisions and Underperforming suppliers suggest inadequate performance monitoring and evaluation. The municipality is exposed to risks such as non-compliance with regulations, potential for fraud and corruption. It was mentioned by **R5** that: *"We face challenges of suppliers who do not meet specification requirements. Another challenge is the shortage of budget to procure all the needed goods and services. Also, the challenge of suppliers who are non-tax compliant."* Non-responses or few responses to quotation requests hinders competition and potentially leads to higher costs and suppliers who do not meet requirements can result in subpar goods or services. Addressing the above-mentioned challenges requires a comprehensive approach, which the researcher will outline in chapter seven of the study so as to ensure compliance with SCM policies and regulations through monitoring procurement processes, fostering collaboration and coordination among internal stakeholders, including capacity building.

6.4.2 Reporting and analysis of findings from data collected through interviews (asset management officials)

Below is the analysis and interpretation of the data gathered from five asset management officials through interviews. Five asset management officials were chosen after consulting with the SCM manager and this was done because purposive sampling was the sampling method employed in this study. Individual interviews were conducted with five asset management officials at the Raymond Mhlaba Local

Municipality offices to gather data about control and oversight measures for ethical conduct in procurement processes. After obtaining the participants' consent to record the interviews, a voice recorder was used to record the interviews with the five asset management officials and field notes were taken. The researcher began the analysis process by listening to the interviews voice recordings several times until they understood what each participant said. After the data from the recorded interviews was transcribed, the researcher verified the accuracy of the transcripts by comparing them to the interview recordings. Differing opinions were identified after re-reading the transcribed data. The differing opinions that were identified relate to the asset disposal process and how often the municipality maintains and services its assets. The researcher marked all relevant phrases pertinent to the study. The ATLAS.ti 24 qualitative data analysis software was used to load the interview transcripts. The data was categorised in terms of common themes and patterns and a connection between the themes was identified, and then the researcher described the themes and summarised them. To obtain the high-quality data required for successful data analysis, patterns and similar sets of ideas were grouped into sub-themes and compared.

The findings from interviews with the asset management officials are reported and interpreted below.

Section A: Biographical information

1. Indicate your years of service at the Raymond Mhlaba Local Municipality.

Responses:

Years of service	Responses
0-5	1
6-10	1
10+	3

2. What is your title/position?

Responses:

Title/ Position	Responses
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Assistant Director: Asset Management	1
Senior Asset Management Officer	1
Asset Management officer	1
Asset Management Clerk	2

Section B: Interview questions

Section 1: Control and oversight measures for ethical conduct

Question 1: Does the Raymond Mhlaba Local Municipality promote an ethical culture? If so, how does the Raymond Mhlaba Local Municipality do this? (An ethical culture according to Musiyarira (2020:49) encourages employees to act in a way that is right and proper while performing their public duties.)

Literature review: cf. section 2.7: Ethical conduct in the public service.

Response: The common response from the respondents was that the municipality promotes an ethical culture, as confirmed by all respondents, by encouraging transparency in decision making and actions. The municipality promotes *Batho Pele* principles and encourages officials to perform their duties according to the code of conduct of the municipality.

The respondents all agreed that the municipality promotes an ethical culture, however, the responses of the interviews differ from the AGSA's audit findings of 2020/2021, 2021/2022 and 2022/2023 on the Raymond Mhlaba local municipality (see cf. section 6.4.1 B(1)). The common response from the respondents regarding the outcomes of the AGSA is that they are aware of the AGSA's audit findings and they maintain that the AGSA's audit findings on ethical culture focuses on the municipality failing to investigate unethical conduct and the respondents are not aware of any inconsistencies in investigations of unethical behaviour. From the researcher's view, the fact that the respondents are aware of the AGSA's findings but unaware of any inconsistencies in investigations suggests either a lack of communication or inadequate internal reporting mechanisms.

Question 2: Which control measures are in place at the Raymond Mhlaba Local Municipality for procurement processes?

Literature review: cf. section 2.3: Control measures for ethical conduct in the public sector.

Response: The common themes that emerged regarding control measures in place at the Raymond Mhlaba Local Municipality for procurement processes are: SCM policies namely, GIAMA, MFMA, National Treasury Regulations, PPPFA and B-BBEEA. Other control measures in place mentioned by the respondents are SCM delegations, SCM standard operating procedures, record-keeping and documentation of all SCM documents and segregation of duties. It was mentioned by **R4** that: *“The municipality has bid committees in place that serve as a crucial control measure in procurement processes to ensure fair processes, transparency, open competition and to prevent bias so that no single individual controls the evaluation of bids. Also, the SCM standard operating procedures are a control measure in place at the Raymond Mhlaba local municipality to establish clear procedures in procurement processes.”*

The respondents indicated that, there are control measures in place at the municipality for procurement processes but the AGSA’s 2022/2023 audit report revealed that, there are insufficient procedures and systems in place at the municipality. An adequate management, accounting and information system, which accounts for assets, was not in place as required by section 63(2)(a) of the MFMA (AGSA, 2023:235).

From the researcher’s analysis, the above mentioned AGSA’s 2022/2023 audit report raises the risk of theft of goods and a gap for fraud. The weak internal controls in the municipality make it difficult to ensure transparency in procurement processes and accountability. The MFMA requires adequate processes and systems for asset management and procurement processes and the lack of systems and processes show weak internal controls and lack of oversight. It can be deduced that inadequate management, accounting and information systems hinder transparency in asset management and the absence of proper systems makes it challenging to hold officials accountable for asset management. Without proper systems in place, assets are vulnerable to mismanagement and loss, resulting in financial loss to the municipality.

Failure to maintain a management, accounting and information system that accounts for assets as required by section 63(2)(a) of the MFMA, indicates a disregard for regulatory requirements.

Question 3: Does the Raymond Mhlaba Local Municipality investigate institutional unethical occurrences such as fraud and corruption in procurement processes? If so, how is this done?

Literature review: cf. section 2.9.2: Fraud and corruption.

Response: The respondents all agreed that the Raymond Mhlaba Local Municipality investigates institutional unethical occurrences such as fraud and corruption during procurement processes. They further explained that, after a complaint has been received of an unethical conduct, it is referred to the labour relations department for investigation and a formal investigation is then launched. When warranted, a forensic analysis is conducted and a report is compiled by the investigators and recommendations are made and submitted by investigators to the municipality. Disciplinary action is taken against the accused official and corrective measures are implemented. It was stated by **R4** that: *“Yes, the municipality investigates fraud and corruption. When the whistle-blower report comes in, labour relations office is informed and an investigation is launched. A report is compiled by the investigators with recommendations. Corrective measures such as consequence management are applied on the accused employee.”*

The respondents confirmed that the municipality investigates institutional unethical occurrences such as fraud and corruption during procurement processes although the AGSA’s audit findings (cf. section 6.4.1 B(3)) are contrary to the respondents’ responses. The respondents’ response to their different views from AGSA’s audit findings is that they do not know how many unethical cases have not been investigated but they do acknowledge AGSA’s audit outcomes. The respondents mentioned that the number of officials who have been called for disciplinary hearings for unethical behaviour is known by labour relations office and that information could not be made available to the researcher for confidentiality reasons. From the researcher’s analysis of the AGSA’s audit findings, failure to investigate unethical occurrences creates a

culture where officials feel they can undermine ethical conduct and raises questions about the municipality's integrity and commitment to ethical conduct. Not holding individuals responsible for unethical behaviour undermines transparency and accountability.

Question 4: In your view, what could be the root causes of unethical behaviour in procurement processes in the Raymond Mhlaba Local Municipality?

Literature review: cf. section 2.9: Ethical issues during procurement processes

Response: The common response from the respondents on root causes of unethical behaviour in procurement processes was accepting bribes from suppliers which leads to favouritism of suppliers and biased evaluation of bids. Conflict of interest is another root cause mentioned by the respondents where an official involved in procurement processes has a family member or friend bidding for a tender and does not disclose that information. The respondents further mentioned lack of procurement planning by the municipality as a root cause of unethical behaviour during procurement processes. It was mentioned by **R3** that: *“Favouritism towards certain suppliers is a root cause of unethical behaviour as that leads to the exclusion of qualified suppliers and leads to unfair competition and biased decision making in procurement processes. When certain suppliers are favoured, it is not possible to maintain supplier rotation, the same suppliers will be used whilst other suppliers are excluded.”* The opinion of **R4** was that: *“The root cause of unethical behaviour in procurement processes is the urgency to achieve goals leading to taking short cuts such as not complying with supply chain management policies. Doing favours for suppliers such as expediting procurement processes for their benefit in exchange for money is a root cause of unethical behaviour in procurement processes.”*

The researcher's analysis of the above-mentioned root causes of unethical behaviour in procurement processes is that officials prioritise personal gain over their work responsibilities as accepting bribes from suppliers indicates a lack of integrity and corruption. Lack of procurement planning leads to rushed decisions, increasing the risk of unethical behaviour whilst favouritism towards certain suppliers indicates a lack of impartiality and discrimination. As mentioned by **R3** that: *“Favouritism towards*

certain suppliers is a root cause of unethical behaviour as that leads to the exclusion of qualified suppliers and leads to unfair competition and biased decision making in procurement processes. When certain suppliers are favoured, it is not possible to maintain supplier rotation, the same suppliers will be used whilst other suppliers are excluded.” These root causes of unethical behaviour during procurement processes suggest weak internal control and oversight measures.

Question 5: Are there strategies in place to curb unethical behaviour in procurement processes in the Raymond Mhlaba Local Municipality?

Literature review: cf. section 2.10: Measures to ensure ethical conduct.

Response: The respondents all agreed that there are strategies in place to curb unethical behaviour in procurement processes in the municipality. The common response from the respondents was that the municipality enforces accountability by holding officials accountable for unethical behaviour through imposing disciplinary actions and consequence management where officials who act unethically are disciplined by facing disciplinary actions. It was stated by **R2** that: *“Yes there are strategies in place such as the internal audit department to check for compliance and the municipality fosters a culture of ethics and integrity. The municipality takes disciplinary actions against officials who act unethically and applies consequence management as a strategy to curb unethical behaviour in procurement processes.”* It was mentioned by **R3** that: *“Conflict of interest declaration forms are signed by officials who are procuring as a strategy in place to curb unethical behaviour in procurement processes. This helps to identify potential conflicts before they become an issue and to encourage honest disclosure.”*

The researcher’s view is that the above-mentioned strategies are not adequate, as they are reactive rather than proactive strategies. They focus on containing the damage rather than preventing it and may not fully address the root causes of the issues. To prevent the situation from occurring rather than treating what has occurred, it is important to identify and mitigate potential risks before they materialise and it is also crucial to regularly review and assess processes to identify areas for improvement as well as investigate and address the underlying causes of incidences.

Section 2: Procurement processes

Question 1: How does Raymond Mhlaba Local Municipality procure its assets?

Literature review: cf. section 2.5: Procurement processes in the public sector.

Response: All the respondents agreed that the Raymond Mhlaba Local Municipality procures its assets as per the amended National Treasury, 2021 threshold values which are:

- Written quotations for assets over the amount of R2 000,00 to R10 000,00
- Formal quotations for assets over the amount of R10 000,00 to R300 000,00.
- Competitive bidding for assets above R300 000,00.

The respondents mentioned the above procurement methods used by the municipality to procure assets and confirmed these are in accordance with SCM Regulation 12(1) which provides for the procuring of goods and services through petty cash, written or verbal quotations, formal written price quotations and competitive bidding within the amended threshold values established by National Treasury, 2021. The AGSA's audit findings 2021/2022 (cf. section 6.4.1 (2)1) show a contravention of SCM Regulations at the municipality.

The researcher's analysis from the above is that, procuring without following the established National Treasury threshold values increases the risk of fraud and corruption and leads to irregular expenditure. Threshold values ensure fair competition, value for money, transparency and accountability and non-compliance with SCM Regulations may lead to qualified audit findings, thus it is best to adhere to established threshold values and ensure transparent procurement processes.

Question 2: How often does Raymond Mhlaba Local Municipality maintain and service its assets?

Literature review: cf. section 2.3.1: Internal Control.

Response: Two themes emerged from the interviews, the positive responses were that the municipality does maintain its assets, **R2** mentioned that: *“The municipality maintains assets regularly according to a scheduled maintenance plan, if the asset is meant to be serviced monthly, then we service the asset monthly.”* The negative response was that assets are maintained when they are faulty or have broken down, according to **R1**: *“Assets are maintained when the asset is faulty or if the asset has broken down, the maintenance is outsourced.”*

According to section 63(1)(a) of the MFMA, the accounting officer of a municipality is responsible for managing the municipality's assets, including their maintenance and safety. The GIAMA in section 4.4 emphasises the importance of developing an asset management plan, which includes maintenance planning, to ensure the optimal use and maintenance of immovable assets. The researcher found that five percent of the assets due for annual maintenance had passed their annual maintenance date when analysing the electronic asset maintenance schedule. The GIAMA in section 6.3 highlights the importance of regular maintenance to extend the useful life of assets and prevent deterioration. The researcher's opinion is that regular maintenance extends the life of assets and reduces the need for costly replacements and thus it is important to follow a routine asset maintenance strategy. Preventative asset maintenance is crucial in an asset's lifecycle to prevent assets from breaking down and inadequate asset maintenance may lead to a shorter useful life of an asset.

Question 3: Does the Raymond Mhlaba Local Municipality dispose its assets when they are unserviceable, redundant, damaged and obsolete? If so, how is the asset disposal process carried out at the Raymond Mhlaba Local Municipality?

Literature review: cf. section 2.3.1: Internal control.

Responses: Two different views of the asset disposal process emerged from the interviews:

- The first view was that an asset disposal form is filled in by the official using the asset and a motivation for the disposal of the asset is provided. An assessment is done on all assets to check their physical condition and a schedule is done

of all the assets discovered to be disposable and this is kept in a safe and secure location to be further inspected. The asset management section then formally requests the IT section to prepare a technical report on assets that are IT related that have been identified for disposal. Assets that have been identified for disposal are physically inspected and a technical report is provided by the IT section for all the IT related assets and then the list of assets identified for disposal is presented to the asset disposal committee for recommendation to dispose. The assets to be disposed are then transferred to another state institution at market value, or where appropriate, for free and then sold by written price quotations, competitive bids, auction or at market related prices. After assets have been disposed, they are removed from the asset register.

- The second view from **R3** was that: *“Some unserviceable, redundant, damaged and obsolete assets are not always disposed, the condition of these assets is found during an asset verification process and during audits. Lack of communication between the officials using the assets and the asset management section is the root cause of this. The unserviceable, redundant, damaged and obsolete assets are eventually collected from the officials using the assets and put in a lockable place till the asset disposal process takes place.”* It was mentioned by **R5** that: *“Some officials using assets, fail to report them when they are damaged, unserviceable, obsolete and redundant. The status of these assets is often revealed when assets are being verified and during internal and external audits and only then moved to the location where assets to be disposed are kept. If the asset disposal committee had already sat in that particular month, then it takes long for them to sit again for the asset disposal committee meeting so that the identified assets can be recommended for disposal. When the asset disposal committee meets, the identified assets for disposal are presented to the asset disposal committee for disposal. Competitive bids and written price quotations are invited for the sale of assets as a disposal method.”*

From the first theme that emerged from the interviews, the respondents mentioned the asset disposal process which is in line with section 14 and 90 of the MFMA. Section 14 and 90 of the MFMA respectively state that, assets may be disposed by transferring

the assets to another organ of state at market value or when appropriate free of charge and by selling the assets by way of written price quotations, a competitive bidding process, auction or at market value, whichever is the most advantageous to the municipality. This procedure is also in line with the National Treasury regulation 10.2.1, which highlights that, assets may be sold at auction, by written price quotations, through a competitive bidding process or at market value, whichever is most advantageous to the state, unless determined. The disposal of movable assets must be at market-related value or by tender or auction, whichever is most advantageous to the state, until the relevant treasury decides otherwise. The MFMA in section 14(5) mandates that the asset disposal process should be competitive, transparent, fair, equitable and compliant with SCM Regulations.

The Raymond Mhlaba Local Municipality internal audit report 2022/2023 shows that, damaged, redundant, obsolete and unserviceable assets were not removed from their location and disposed timeously (Raymond Mhlaba Local Municipality, 2023:19). From the asset management documents analysed by the researcher, the electronic asset disposal list had assets due for disposal, waiting for the availability of the asset disposal committee to meet. The researcher's opinion is that the asset disposal committee should not meet biannually but meet quarterly as per the municipality's asset disposal policy, to consider and decide on asset disposal matters. Failure to dispose assets in a timely manner can open a gap for theft of assets that can be re-usable.

In the second theme that emerged from the interviews, the respondents mentioned that some unserviceable, redundant, damaged and obsolete assets are not always disposed because of due to lack of communication between the officials using the assets and the asset management section which may only be identified during audits and asset verification. The researcher's view is that lack of communication leads to poor decision making with regards to asset acquisition, asset maintenance and asset disposal. Failure to report assets that are missing and damaged assets to the asset management section leads to delays in disposing those assets and gives inaccurate information on the asset register about the status and condition of the assets. Also, failure by the asset management section to identify unserviceable, obsolete and redundant assets will provide incorrect information in the asset register regarding the

status and condition of the assets.

Question 4: Which control measures are in place at the Raymond Mhlaba Local Municipality in safeguarding the municipality's assets?

Literature review: cf. section 2.3.1: Internal control.

Response: Two themes emerged from the interviews, a positive response was mentioned by **R1** that: *“The control measures in place at the municipality in safeguarding the municipality's assets are maintaining and updating the asset registers for every movement of assets, every disposal of assets, every transfer of assets and for every acquisition of assets. Asset disposal is another control measure that the municipality has in place to reduce the risk of theft and to prevent the re-use of assets without authorisation. Another control measure in place in safeguarding the municipality's assets is keeping the storerooms, where inventory is kept, locked at all times and ensuring that there is a careful key distribution. During asset disposal, assets which are identified for disposal are placed in one central location as a control measure and are locked there till the disposal date to avoid theft and the reuse of those assets.”* A positive view of **R2**, was that: *“The municipality bar-codes newly acquired assets to give them a unique identification and to enable accurate tracking of assets as a control measure to safeguard its assets and to ensure quick identification of missing assets. Another control measure in place is conducting quarterly asset verification to ensure that the assets appearing on the manual asset register are also physically existing in that particular location. Regular asset verification also identifies missing assets in each location and also identifies assets that are found in a particular location that belong to another location. Another control measure in place to safeguard assets is appointing officials using those assets who we call asset controllers who have the responsibility to safeguard assets within their location.”*

A negative view of **R3** was that: *“The safeguarding of assets in the municipality has many weaknesses and challenges, resulting in some assets getting lost. Newly acquired assets are not always bar-coded, if there are no bar-code stickers or metal bar-codes, assets are to be bar-coded manually which is time consuming. The manual bar-coding results in some assets not being bar-coded and opens a gap for theft, and*

it is difficult to locate an asset that is not bar-coded when it is missing or being moved around. Assets are not always verified quarterly as they should, this increases the risks of theft, misuse of assets and duplicate purchases of assets.” It was mentioned by R5 that: *“Officials using assets often move assets around without filling in the asset movement form which is a control measure to safeguard assets. The asset management section is sometimes not informed by the officials using the assets to update the movement of assets on the electronic asset register, which makes it difficult to safeguard assets.”*

The Auditor-General South Africa’s 2021/2022 audit findings show that there was no effective internal control mechanism in place for assets, and there was no asset register in place as per the requirements of the MFMA section 63(2) (AGSA, 2022:117). The Raymond Mhlaba Local Municipality internal audit report 2021/2022 revealed the below discrepancies on asset management:

- Asset registers in five asset locations were not updated.
- Asset registers in two asset locations were not signed.
- Damaged and unserviceable assets were not removed from their location and disposed timeously.
- There are surpluses of assets in 3 asset locations.
- Assets in seven asset locations were not bar-coded. (Raymond Mhlaba Local Municipality, 2022:27).

From the asset management documents analysed by the researcher, some asset registers were found to be old and not updated monthly on the system as per the asset management policy of the municipality. Some asset movement forms were not duly completed and signed by the asset management team or official using the asset. The asset verification reports for 2020/2021, 2021/2022, 2022/2023 showed similar discrepancies found during asset verification which are: shortage of assets in the verified asset location, surpluses of assets in the verified asset location, assets not bar-coded, incorrect description of assets as well as unserviceable, redundant, damaged and obsolete assets still in the asset location and not reported to the asset management section.

In analysing the above, it can be deduced that, assets are not properly tracked at this municipality, leading to surpluses of assets and shortages of assets and internal controls are not functioning properly to prevent these discrepancies. Section 63(2) of the MFMA requires a municipality to prepare and implement an asset management plan that includes an inventory of assets. The management plan must specify the manner in which the municipality will maintain, upgrade or replace and dispose its assets. National Treasury Regulation 10.11 requires the accounting officer of an institution to take responsibility to ensure that assets are properly controlled and to ensure that preventative measures are in place to eliminate theft, losses, wastage and misuse of assets (National Treasury, 2005:29).

Asset maintenance is crucial to prevent assets from deteriorating and reducing the need for costly replacement. Regular risk assessments can help to identify and mitigate asset related risks and compliance with SCM policies and SCM regulations is important to promote transparency and accountability in asset management decisions. Respondents acknowledged the AGSA's findings and the internal audit report, admitting that discrepancies in asset management occurred despite their best efforts and upon reviewing the audit reports, gaps were identified in the municipality's internal controls and corrective action is alleged to have been taken to strengthen SCM processes. However, based on the findings, thus far there is no evidence of that SCM processes are being strengthened in the municipality.

Question 5: Does the Raymond Mhlaba Local Municipality investigate when there are instances of lost assets? If so, how is the loss control procedure conducted?

Literature review: cf. section 2.3.1: Internal control.

Response: The common response from the respondents was that the Raymond Mhlaba Local Municipality does investigate when there are instances of lost assets. The respondents explained that, when an asset is lost, the loss is reported by the official using the asset in the form of a report detailing the events of the loss and an affidavit is deposed. The asset management section then submits the detailed report to the loss control office to investigate who then investigates the loss of the asset and thereafter provides feedback on the results of the investigation. If the official who was

using the asset was found to be negligent, they are held liable to pay for the asset and if there was no negligence on the side of the official who was using the asset, the asset is written off from the electronic asset register.

The respondents agreed that the municipality does investigate when there are instances of lost assets and explained the loss control procedure. From the researcher's analysis, the loss control procedure mentioned by the respondents is in line with Treasury Regulations 12.5.1 and 12.7.1, which state that, whenever there is suspicion of criminal activity resulting in financial losses or damages to the state, a written report must be submitted to both the accounting officer and the SAPS. Whether the individual is still employed by the state or not, the accounting officer is obligated to recover the loss or damage from the responsible party (National Treasury, 2005:32).

From the researcher's analysis, Treasury Regulation 12.5.2 highlights that, when movable assets are written off, this must be noted in the asset register, as per National Treasury (2005:32) which is in line with the process mentioned by the respondents. The asset verification documents analysed by the researcher, showed discrepancies in some asset locations resulting from shortages of assets which were discovered during asset verification. In the viewpoint of the researcher, the municipality must also act when unreported missing assets are only identified as missing during asset verification. This should also get audited and an investigation into the circumstances surrounding the missing assets must take place to determine the cause and responsible parties so as to take disciplinary action against the employee who was using the missing asset, if found to be negligent. The municipality can also emphasise the reporting procedures when an asset is missing, to the officials using the municipality's assets, which would reduce the risk of asset losses and discrepancies.

Question 6: Does the Raymond Mhlaba Local Municipality provide training and workshops for employee development? If so, what types of trainings and workshops are provided to employees?

Literature review: cf. section 2.6.1: Lack of knowledge, skills and capacity.

Response: The respondents agreed that the municipality does provide training and

workshops to its employees. The common response from the respondents was that, the municipality provides employees with a chance for training and development by inviting training providers to submit quotations for training and workshops needed for the municipal employees. The respondents explained that the nominated employees by the municipality attend the training and workshops relevant for their section. The respondents further detailed the training and workshops provided by the municipality, that the asset management officials have attended so far are *governance and compliance, service delivery and quality management, municipal administration and management as well as internal control and risk management*. The respondents added that the nominated employees by the municipality from the asset management section attended training and workshops which were provided by the Provincial Treasury upon the municipality receiving an invite each year which were on: *SCM, asset management, disposal management, internal control, risk management and ethics and governance in the public sector*.

From the researcher's analysis, the municipality is committed to the development and growth of its employees. The municipality gives its employees a chance to attend training and workshops to be able to adapt to changing environments and be able to implement those changes in the workplace.

Question 7: Are training assessments done to assess if the training and workshops provided to employees have proven to be effective?

Literature review: cf. section 2.6.1: Lack of knowledge, skills and capacity.

Response: The common response from the respondents was that training assessments are done by individual participants after the training and workshops have been completed to assess if the training and workshops provided to employees have proven to be effective. The respondents explained that all municipal employees who have attended a training or workshop complete the training assessment to determine if the training or workshop was effective. It was mentioned by **R3** that: *“Yes, training assessments are done, POE's are submitted to the training facilitator for marking. The training facilitator marks the individual assessments, if you have passed the assessment then you get a certificate for the training or workshop that you have*

attended.” The respondents also mentioned that it is not easy to pass the assessments because the assessments require dedication and time, and in some instances, participants do not complete the assessments in their entirety. It was stated by **R2** that: *“Training assessments are done to assess the effectiveness of the training and workshops. Each official who attended the training completes the training assessment which is marked by the training facilitator to see if the training or workshop was effective. Not all officials who attend the training or workshop pass the assessment as some officials submit incomplete assessments.”* The researcher’s view is that, if officials do not complete the training and workshops assessments, then the lack of feedback to determine the effectiveness of training and workshops will not assist the municipality to be able to identify areas for improvement and know which training and workshops are necessary for its employees.

Question 8: What challenges do you face during the procurement of the municipality’s assets?

Literature review: cf. section 2.6: Challenges faced by the South African public sector when procuring goods and services.

Response: The common response to the challenges faced by the respondents during the procurement of the municipality’s assets is the budget shortages, resulting in them not being able to procure all the needed assets even though there may be a number of assets that need to be procured and maintained. The respondents mentioned that there is also a challenge of the bar-coding procedure on newly acquired assets because if there are no metal bar-codes or sticker bar-codes, then that means the assets must be marked manually, which is a challenge when there are many assets to be bar-coded. Another challenge mentioned by the respondents is limited maintenance budget, which makes it difficult to maintain assets that need to be maintained. The respondents further mentioned that failure to report assets that need to be disposed by the officials using the assets is a challenge, and some officials who are custodians of these assets only mention the unserviceable, redundant, damaged and obsolete assets during asset verification. The view of **R2** was that: *“The issue of lost assets not being reported by the official using the asset is a challenge as this is revealed during asset verification and audits. In some instances, it is difficult to prove*

that the loss was because of the negligence of the official using the asset. Repeated losses lead to reduced budget allocation, funds to replace lost assets could have been used for other things like maintenance of assets or procuring other needed assets by the municipality.” It was mentioned by R4 that: “The movement of assets by officials without informing the asset management section to move the assets following the correct procedures is a challenge. During asset verification there are surpluses and shortages because assets are not in their correct locations.”

In analysing the above challenges mentioned by the respondents, they suggest that if the municipality cannot afford to purchase all the necessary assets, that can lead to potential service delivery gaps. The use of manual bar-codes can lead to asset numbers fading off resulting in an inability to track on which asset location the asset belongs to and a limited budget on maintenance results in the risk of poorly maintained assets and reduced asset lifespan.

6.4.3 Reporting and analysis of findings from data collected through interviews (project management officials)

The below section presents the analysis of data gathered in the project management section of the Raymond Mhlaba Local Municipality through interviews, with five project management officials. Five project management officials were interviewed through consultation with the project management manager. This was done because the sampling method employed in this study was purposive sampling. The five project management officials were individually interviewed at the Raymond Mhlaba Local Municipality offices, to collect data on the control and oversight measures for ethical conduct in procurement processes. Before conducting the individual interviews, consent was acquired by the researcher from the participants to record them using a voice recorder and field notes were taken.

The first step in the analysis process was listening to the interview voice recordings repeatedly until the researcher understood what each participant said. After the data from the recorded interviews was transcribed, the researcher verified the accuracy of the transcripts by comparing them to the interview recordings. The transcribed data was read repeatedly to look for any possible differing opinions and the differing opinion found was on utilising new contractors without experience in a project. The researcher

marked all the relevant phrases to the study. The transcribed data from interviews was loaded into the ATLAS.ti 24 qualitative data analysis software and through thematic analysis, the data was categorised into common themes and patterns and a connection between the themes was identified, then the themes were described and summarised. Further analysis involved organising patterns and similar sets of ideas into sub-themes and a comparison was done to yield high-quality data required for successful data analysis.

The interviews findings from the project management officials are reported and interpreted below.

Section A: Biographical information

1. Indicate your years of service at the Raymond Mhlaba Local Municipality.

Responses:

Years of service	Responses
0-5	2
6-10	2
10+	1

2. What is your title/position?

Responses:

Title/ Position	Responses
Manager: Project Management	1
Project Management Officer	2
Project Management Clerk	2

Section B: Interview questions

Section 1: Control and oversight measures for ethical conduct

Question 1: Does the Raymond Mhlaba Local Municipality promote an ethical culture? If so, how does the Raymond Mhlaba Local Municipality do this? (An ethical culture

according to Musiyarira (2020:49) encourages employees to act in a way that is right and proper while performing their public duties).

Literature review: cf. section 2.7: Ethical conduct in the public service.

Response: The common response from the respondents was that the municipality does promote an ethical culture by encouraging employees to perform their duties according to the code of conduct of the municipality. It was mentioned by **R1** that: *“Yes, the municipality encourages employees to perform their duties according to the code of conduct of the municipality. Open communication and reporting of unethical behaviour is encouraged by the municipality.”* The view of **R3** was that: *“Yes, the Raymond Mhlaba local municipality does promote an ethical culture by encouraging employees to report unethical behaviour. There are confidential reporting channels in the municipality for employees to report unethical behaviour. The municipality ensures that unethical behaviour of employees is investigated, and employees are held accountable for unethical behaviour by facing disciplinary measures.”*

The respondents indicated that the municipality does promote an ethical culture, however, audit reports from the AGSA for the years 2020/2021, 2021/2022 and 2022/2023 (cf. section 6.4.1 B(1)) reveal that the municipality failed to investigate unauthorised, irregular and wasteful expenditure to determine accountability. A common response from the respondents about the above audit findings was that they are unaware of any shortcomings or inconsistencies in how cases of unethical behaviour were investigated within the municipality. According to the researcher’s analysis, cultivating an ethical culture enhances governance and public service delivery as it promotes decision-making based on ethical standards and encourages employee accountability. A well-established ethical culture also plays a crucial role in minimising corruption and misconduct.

Question 2: Which control measures are in place at the Raymond Mhlaba Local Municipality for procurement processes?

Literature review: cf. section 2.3: Control measures for ethical conduct in the public sector.

Response: The common themes that emerged from the interviews on control measures in place at the Raymond Mhlaba Local Municipality for procurement processes are segregation of duties, SCM policies, namely, the National Treasury Regulations, B-BBEEA, MFMA, and the PPPFA. The respondents mentioned that there are control measures in place at this municipality for procurement processes but although there are policies in place to guide procurement processes as highlighted by the respondents, these do not seem to be effectively implemented by the municipality. The AGSA's audit report of 2020/2021, 2021/2022 and 2022/2023 on the Raymond Mhlaba Local Municipality show weaknesses in internal controls within the municipality (cf. section 6.4.1 B (2)). From the researcher's view, weaknesses in internal controls pose risks of misappropriation of funds, unauthorised purchases, fraudulent transactions and non-compliance with SCM regulations.

Question 3: Does the Raymond Mhlaba Local Municipality investigate institutional unethical occurrences such as fraud and corruption during procurement processes? If so, how is this done?

Literature review: cf. section 2.9.2: Fraud and corruption.

Response: The common response from the respondents was that the Raymond Mhlaba Local Municipality does investigate institutional unethical occurrences such as fraud and corruption during procurement processes. The respondents explained that, when unethical behaviour is reported, the matter is referred to the labour relations department and investigations are done and the official who has been found to have acted unethically is called for a disciplinary hearing. The respondents also mentioned that the number of officials who have been called for disciplinary hearings for unethical behaviour is known by the labour relations office and this information from labour relations office could not be made available to the researcher because of its sensitivity.

Although the respondents agreed that the municipality does investigate institutional unethical occurrences such as fraud and corruption during procurement processes, the AGSA's audit reports of 2020/2021; 2021/2022 and 2022/2023 (cf. section 6.4.1 B(1)) on the Raymond Mhlaba Local Municipality indicate that there is a lack of investigations on unethical occurrences. From the researcher's analysis, lack of

investigations into unethical occurrences can have severe consequences which include continued misconduct and corruption. Lack of investigations normalises unethical behaviour in the workplace and continued non-compliance to SCM policies and SCM regulations. The respondents' common response to the AGSA's audit findings which are different from their responses is that the cases of unethical conduct that have not yet been investigated are known by labour relations office and they are not aware of the inconsistencies in investigations.

Question 4: In your view, what could be the root causes of unethical behaviour in procurement processes in the Raymond Mhlaba Local Municipality?

Literature review: cf. section 2.9: Ethical issues during procurement processes.

Response: There were multiple common themes that emerged from interviews on root causes of unethical behaviour in procurement processes which included accepting bribes from suppliers. The respondents mentioned that there is poor planning on the side of the end-user which then puts pressure on the procuring officials to meet deadlines. The respondents explained that, when urgent requests to procure are submitted to the procuring official, they end up taking shortcuts leading to unethical decisions by requesting for cover quotes to cut the time of waiting for more quotes. 'Cover quotes' refer to quotes used to create an impression of competition and are quotes from suppliers with uncompetitive pricing. The respondents added that, complex procurement processes create opportunities for unethical behaviour, for example complex processes can lead to frustration, causing individuals to take shortcuts or bypass procedures, potentially leading to unethical behaviour. The view of **R3** was that: *"Conflict of interest is a root cause of unethical behaviour in procurement processes, as it results in biased decision making when evaluating tenders and manipulating the procurement processes to favour friends and family members who have submitted tender documents."*

From the researcher's analysis of the mentioned root causes for unethical behaviour in procurement processes, accepting money and gifts from suppliers in exchange for favourable treatment undermines fair competition and compromises integrity. Personal interests conflicting with professional responsibilities leads to biased

decision making and unfair advantage to the connected parties. Inadequate procurement planning leads to rushed decisions and increases the risk of corruption and wasteful expenditure.

Question 5: Are there strategies in place in the Raymond Mhlaba Local Municipality to curb unethical behaviour in procurement processes?

Literature review: cf. section 2.10: Measures to ensure ethical conduct.

Response: The common response from the respondents was that, the municipality applies consequence management as a strategy in place to curb unethical behaviour during procurement processes. The respondents explained that this is done by disciplining officials who act unethically and unethical behaviour is investigated and accused officials are called for disciplinary hearings.

The respondents mentioned consequence management as a strategy in place to curb unethical behaviour in procurement processes, however from the researcher's analysis, although applying consequence management as a strategy can be adequate in certain situations, it has limitations, as it focuses on containing the damage rather than preventing it and may not fully address the root causes of the issue since it takes place post facto. Consequence management responds to the incidence rather than proactively addressing potential issues. To prevent occurrences rather than treating them, it is better to identify and mitigate potential risks before they materialise and regularly review and assess processes to identify areas for improvement.

Section 2: Procurement processes

Question 1: What is the role of the project management section during the procurement of goods and services at the Raymond Mhlaba Local Municipality?

Literature review: cf. section 2.5: Procurement processes in the public sector.

Responses: The common responses from the respondents were that, the role of the project management section is to: ensure that project timelines from start to finish are

adhered to, participate in the procurement processes from project inception, bring in technical expertise by identifying technical requirements and gaps and ensure compliance with technical regulations and standards, monitor projects progress and conduct regular meetings to determine the progress of the project. The interviewees further mentioned the following roles of the project management section in procurement processes, to ensure that, contractors are performing as per the standards and requirements of the project, conduct site visits and quality assurance, document and report quality assurance findings, ensure safety and environmental standards and test and inspect materials and work. It was mentioned by **R3** that: *“The project management section’s role during the procurement of goods and services is to monitor projects progress and conduct regular meetings with contractors to determine the progress of the project and mitigate potential delays and risks. In addition, the role of the project management section is to identify and address performance issues and implement corrective action.”* The view of **R4** was that: *“The project management section ensures that contractors are performing as per the standards and requirements of the project by tracking the progress of the project against the project schedule and evaluating the quality of work. The project management section evaluates the quality of work and assesses compliance with project specifications.”*

Respondents commonly stated that, the role of the project management section is to monitor projects progress, conduct regular meetings to determine the progress of the project and ensure that contractors are performing as per the standards and requirements of the project. The respondents further mentioned that the role of the project management section is to conduct site visits and quality assurance, and documenting and reporting quality assurance findings. The Raymond Mhlaba Local Municipality internal audit report 2020/2021, revealed that, contractors are not monitored on a monthly basis as expected (Raymond Mhlaba Local Municipality, 2021:33). The AGSA’s 2020/2021 audit findings also highlighted that the performance of some of the contractors was not monitored monthly, which is in contravention of section 116(2)(b) of the MFMA, which requires that the performance of a contractor must be monitored on a monthly basis under the contract or agreement.

The project management documents analysed by the researcher showed only five documentations of regular meetings between the project management officials and

contractors to discuss project progress, issues with the project or any other project concerns. Monthly electronic progress reports were only done on 45 percent of the projects and project quality control checks, to ensure that project deliverables meet requirements were done on 45 percent of the projects. The respondents' common response to the audit findings, which are different from their views is that they accept the audit findings, and the municipality is ensuring that contractor's performance is tracked monthly. However, based on the findings, there was no evidence of the work done by the municipality in this regard.

From the researcher's analysis, lack of regular monitoring can cause delays in projects as issues may go unnoticed until they become major problems. Inadequate project monitoring can result in cost overruns, as changes or issues may not be addressed promptly and failure to conduct quality checks can lead to substandard project deliverables, affecting the community's needs. Without regular monitoring, resources may be misallocated or wasted on underperforming contractors. Ignoring potential risks can lead to unforeseen consequences, affecting project success and community well-being. Without regular monitoring, project reports may be inaccurate, misleading or incomplete. Failure to identify and address issues promptly can lead to missed opportunities for improvement or innovation.

Question 2: How often are the projects done by contractors monitored in the Raymond Mhlaba Local Municipality?

Literature review: cf. section 2.6.4: Poor contract management.

Response: All the respondents agreed that projects done by contractors are monitored monthly, to track the project progress and quality.

The Raymond Mhlaba Local Municipality internal audit report 2020/2021, revealed that, contractors are not monitored on a monthly basis (Raymond Mhlaba Local Municipality, internal audit report 2021:33). The AGSA's 2020/2021 audit findings highlighted that, the performance of some of the contractors was not monitored monthly, which is in contravention of section 116(2)(b) of the MFMA, which requires that, the performance of contractors must be monitored on a monthly basis under the

contract or agreement. The AGSA's 2021/2022 audit findings also revealed that, the procurement procedures for the Turnkey Service for the design and improvement of Adelaide's electrical infrastructure as well as the paving of the internal street wards of Takalani, Tyoks, and Mpolweni also revealed this non-compliance. The Raymond Mhlaba Local Municipality internal audit report 2021/2022 showed that, the contract performance and monitoring measures and methods of the aforementioned projects were not sufficient to ensure effective contract management, as required by section 116(2)(c) of the MFMA (Raymond Mhlaba Local Municipality, 2022:35).

The common response from the respondents on the above issues mentioned by the AGSA, which contradicts their responses is that the municipality is ensuring that contractors' performance is monitored monthly as there is currently development of a performance system for all contracts in the Raymond Mhlaba Local Municipality allegedly underway. From the researcher's view, the mention of a performance system still being developed indicates that effective contract management processes are not yet fully established, reinforcing the AGSA's assessment. Overall, the respondents' response highlights intentions to improve, but also confirms that compliance and oversight mechanisms remain insufficient at present. The researcher also analysed project management documents, which revealed limited records of project meetings, and showed that monthly electronic progress reports were completed for only 45 percent of the projects (cf. section 6.4.3 B2(2)).

From the researcher's analysis, the respondents' agreement that projects done by contractors are monitored monthly contradicts the AGSA's audit findings which indicate that, some contractors' performance was not monitored monthly. This discrepancy suggests a gap between reported practices and actual implementation. The audit findings could point to issues such as inconsistent monitoring, lack of proper documentation or failures in following established procedures. It is possible that some contractors may have been overlooked or that monitoring efforts were insufficient in some cases. This could lead to poor performance going undetected, project delays, cost overruns, and substandard deliverables.

Question 3: Has the Raymond Mhlaba Local Municipality ever utilised new contractors without experience in a project? If so, how have they performed?

Literature review: cf. section 2.6.4: Poor contract management.

Responses: Three themes emerged from the interviews:

- The first theme shows that this local municipality has utilised new contractors without experience in a project and 75 percent have performed well, and 25 percent have not performed well.
- The second theme shows that, the municipality has utilised new contractors without experience in a project and 80 percent have performed well, and 20 percent have not performed well.
- The third theme shows that, the municipality has utilised new contractors without experience in a project and 90 percent have performed well, and 10 percent have not performed well.

The contract management report analysed by the researcher showed that, 80 percent of new contractors have performed well and 20 percent of new contractors have not performed well. From the researcher's viewpoint, the positive aspects about having utilised the 80 percent of new contractors without experience in a project who performed well indicates a good selection process or effective project management. New contractors without experience can bring fresh perspectives and innovative ideas to the project. The municipality can help develop the skills and expertise of new contractors thus contributing to their growth and future successes. The negative aspects about having utilised the 20 percent of new contractors without experience in a project who did not perform well, is the risk of poor performance which can impact project quality, timelines, budgets and service delivery. Inexperienced contractors may require more supervision, training or support, adding to project costs and resources. New contractors without experience may also be more prone to mistakes, which can lead to rework, delays or cost overruns.

Question 4: Has the Raymond Mhlaba Local Municipality ever experienced underperforming contractors? If so, have they ever been utilised again/how was the underperformance addressed?

Literature review: cf. section 2.6.4: Poor contract management.

Response: The respondents agreed that the Raymond Mhlaba Local Municipality has experienced underperforming contractors and the poor performing contractors were utilised again. The common response from the respondents is that underperforming contractors have been utilised again due to lack of alternative contractors with the necessary expertise and limited availability of qualified contractors in the market for that particular good or service. The participants further explained the reasons for utilising underperforming contractors again are also because of urgency or emergency as essential services require immediate attention and the belief that the contractor will improve after addressing the underperformance. Another reason mentioned by the respondents is the contractors' willingness to improve performance and commitment to rectify issues. It was mentioned by **R5** that: *“The municipality has experienced underperforming contractors, and these contractors were utilised again because of urgent requests to procure and there were no other qualified contractors available. Urgent needs outweigh past performance concerns. The underperformance was addressed by having monthly meetings to identify the gaps and discuss how to fill those gaps.”*

From the researcher's analysis, the above reasons provided by the respondents for utilising underperforming suppliers are a concern. The risks of utilising underperforming contractors repeatedly are that the poor performance may continue and compromise project quality and outcomes in future. Limited market alternatives may lead to higher costs and reduced innovation and thus it is better to utilise the National Treasury Central Supplier Database (CSD) to have access to a broader supplier base and for increased competition and better pricing. Emergency situations may lead to hasty decisions, overlooking better options. It is better to identify alternative contractors or solutions for future emergencies. Relying on suppliers' promises without ensuring accountability is a risk, a more effective approach is to closely track supplier performance, enforce accountability and implement consequence management for underperformance.

Question 5: Does the Raymond Mhlaba Local Municipality provide training and workshops for employee development? If so, what type of training and workshops are provided to employees?

Literature review: cf. section 2.6.1: Lack of knowledge, skills and capacity.

Response: All the respondents agreed that the municipality does provide training and workshops to its employees. In the common responses, the respondents explained that employees are provided with training and workshops by the municipality, registered training companies on the CSD provide relevant training and workshops. The training service providers facilitated the training and workshops on *governance and compliance, municipal administration and management, risk management, internal control and service delivery and quality management* requested by the municipality. The respondents added that the municipality nominates employees every year for training and workshops offered to municipalities by the Provincial Treasury. The project management section has attended Provincial Treasury training and workshops on *project management, contract management, ethics and governance in the public sector, risk management and internal control*.

From the researcher's analysis, the above responses indicate that, the municipality is committed to employee development. The municipality encourages continuous learning and development to ensure improved institutional performance and effectiveness by applying the acquired knowledge from training and workshops in the workplace.

Question 6: Are training assessments done to assess if the training and workshops provided to employees have proven to be effective?

Literature review: cf. section 2.6.1: Lack of knowledge, skills and capacity.

Response: The respondents agreed that training assessments are done after the training has been completed. The common response from the respondents is that the assessments are marked by the training facilitator to see if attendees understood key concepts and can apply the training content. The pass or fail in the training assessments determines whether attendees can apply the knowledge gained from the training. The respondents explained that the municipality is also able to see through the training assessments results whether the training or workshop has proven to be effective and identify areas for improvement. The municipality is able to determine future training needs for its employees from the results of the training assessments,

but if employees do not complete and submit the training assessments, the municipality is not able to determine whether the training or workshop has been effective.

The researcher's analysis is that training assessments are crucial to measure training effectiveness and to identify gaps and areas for improvement. The municipality can identify future training needs based on the outcomes of the training assessments.

Question 7: What challenges do you face in project management in the Raymond Mhlaba Local Municipality?

Literature review: cf. section 2.6: Challenges faced by the South African public sector when procuring goods and services.

Responses: The common themes that emerged from the interviews on challenges faced in project management are budget constraints. When the project is poorly planned, it leads to unexpected expenses or changes, which result in delays in the project. The respondents mentioned the challenge of having to break the project into smaller, more manageable phases due to budget constraints so each phase can start and be completed within the available budget allocations. The respondents further mentioned that there is also a challenge of poorly defined project scopes and timelines and that they face the challenge of rushed project initiation as well as lack of clear project phases and checkpoints. It was mentioned by the respondents that they are facing challenges of contractors who bid for tenders and then hire sub-contractors who lack the necessary expertise to do the work and then there is also a challenge of underperforming contractors according to the respondents, causing delays in the completion of projects. Another challenge that the respondents mentioned, is contractors who do not complete projects as agreed resulting in additional expenses to complete or rework projects, incomplete work requires rework and poses safety hazards.

From the researcher's analysis, the above challenges mentioned by respondents indicate that, inadequate project planning leads to budget constraints, unexpected expenses and delays. Insufficient budget allocation forces breaking projects into

smaller phases, leading to potential delays and inefficiencies and poorly defined project scope and timelines cause delays and cost overruns. Contractors hiring sub-contractors without the necessary expertise and underperforming contractors cause delays and quality issues in the projects whilst the inability to manage contractors and timelines effectively, leads to project delays and failures. The above-mentioned challenges highlight the need for improved project planning and budgeting as well as defining clear scopes and timelines. Effective contractor selection and regular monitoring of projects is crucial.

6.5 GENERAL ASSESSMENT OF THE VIEWS OF DEMAND AND ACQUISITION MANAGEMENT, ASSET MANAGEMENT AND PROJECT MANAGEMENT OFFICIALS

In the first section of the interview schedule for the demand and acquisition management, asset management and project management officials, the interview questions were the same. In section A: Biographical information and section B: Interview questions (1), question one to question five of the interview schedules for the demand and acquisition management, asset management and project management officials, the interview questions were the same. In section B: Interview questions (2), question one of the interview schedules was the same for the demand and acquisition management and asset management officials. This achieved the goal of pinpointing areas of agreement or disagreement and to add to the validation of the data, ensuring its credibility and trustworthiness. The respondents from the above-mentioned sections agreed that the Raymond Mhlaba Local Municipality does promote an ethical culture, however, the AGSA's 2020/2021, 2021/2022 and 2022/2023 audit findings show a qualified audit opinion, suggesting that the municipality is contravening with SCM policies and regulations. The feedback from interviews showed that the respondents agree that there are control measures in place at the municipality for procurement processes. The AGSA's audit findings of 2020/2021, 2021/2022 and 2022/2023 as well as the Raymond Mhlaba Local Municipality internal audit report of 2020/2021, 2021/2022 and 2022/2023 show that internal controls at Raymond Mhlaba Local Municipality are not operating effectively thus leading to deficiencies and there is non-compliance with SCM legislation.

In the researcher's view, the above mentioned AGSA's audit findings and the

Raymond Mhlaba Local Municipality's internal audit findings are concerning and warrant immediate attention. To ensure SCM compliance and to strengthen internal controls, it is best to conduct a comprehensive risk assessment to identify vulnerable areas and to develop a corrective action plan to address deficiencies. The internal audit unit needs to be strengthened to ensure robust internal controls, effective risk management and improved governance. It must, however, be emphasised that an internal audit unit can only make recommendations for the institution of internal controls. The management of the municipality are the ones who are responsible for the implementation of recommendations of both internal and external auditors. Communication between the internal audit function and management therefore, needs to be looked into as management should ensure that internal audit recommendations are implemented. Communication theory emphasises that strong and effective communication between internal auditors, auditees and members of a public institution is essential for enhancing the effectiveness of internal audits (Sambo, 2017:21). Supply chain management standard operating procedures need to be reviewed and updated to incorporate the latest changes in SCM legislation and regulations.

It was mentioned by the respondents that the municipality does investigate institutional unethical occurrences such as fraud and corruption during procurement processes although the AGSA's 2020/2021, 2021/2022 and 2022/2023 audit findings suggest otherwise. The common root causes of unethical behaviour during procurement processes mentioned by the respondents were: accepting bribes from suppliers; conflict of interest; not maintaining supplier rotation, complex procurement processes; urgency to achieve goals thus taking short cuts and poor procurement planning by the municipality. The feedback from the interviews shows that the respondents believe that there are strategies in place at the municipality to curb unethical behaviour during procurement processes, but the AGSA's 2020/2021, 2021/2022 and 2022/2023 audit findings suggest that the mentioned strategies have not proven to be effective.

The respondents agreed that the municipality procures goods and services through the National Treasury amended threshold values, but AGSA's 2020/2021, 2021/2022 and 2022/2023 audit findings show that, in some instances, the municipality did not adhere to SCM Regulations. The most common challenges faced by the respondents include limited budget to procure, the respondents also face a challenge of conflict of

interest. There are challenges of underperforming suppliers, there is a challenge of poor planning by the municipality and a challenge of poor communication between end-users and the SCM section. It was mentioned by the respondents that, the municipality does provide training and workshops for employee development through training providers and sends employees to these when the municipality gets invited by the Provincial Treasury. Training assessments are done after the trainings and workshops, but some officials do not complete the assessments making it difficult for the municipality to assess the effectiveness thereof.

In the researcher's viewpoint, the above discrepancies indicate serious concerns suggesting inadequate internal controls and lack of accountability and oversight. The above-mentioned concerns result in high risk of corruption and fraud, non-compliance with SCM policies and regulations, a potential for favouring certain suppliers and biased decision making. Investigations into unethical behaviour should be thoroughly conducted, internal controls and oversight mechanisms should be strengthened. The municipality should foster a culture of ethics and integrity and develop and implement corrective action plans.

The following section considers the main themes that emerged from the interviews.

6.6 IDENTIFYING THEMES EMERGING FROM LITERATURE

This section considers the main themes that emerged from data collected through interviews in relation to control measures for ethical conduct; procurement processes, ethical issues in procurement processes, legislative and regulatory framework that guides procurement processes, lack of knowledge, skills and capacity and challenges faced when procuring goods and services literature. The juxtaposition of the themes in relation to literature is presented below.

6.6.1 Control measures

Controls are defined as a collection of rules, procedures and practices established by management to support the achievement of the organisation's objectives. These controls are designed to provide a reasonable level of assurance that the organisation will effectively reach its goals (Jori, 2022:18). Adegbile *et al.* (2021:291) contend that control measures, no matter how effectively they are designed and implemented, can

only offer a reasonable level of assurance that an organisation will meet its objectives. Financial mismanagement is frequently the result of inherent weaknesses within the control system itself. Klein *et al.* (2024:1) argue that internal controls are a vital mechanism for all organisations, including those in the public sector, to enhance efficiency, ensure operational reliability and uphold compliance. These controls play a crucial role in managing risks, safeguarding assets, fostering transparency and improving overall performance particularly in supply chain management. In reference to the data collected through interviews, respondents indicated that there are control measures in place at the Raymond Mhlaba Local Municipality for procurement processes (cf. section 6.4.1, 6.4.2, & 6.4.3).

The AGSA's 2020/2021; 2021/2022 and 2022/2023 audit findings showed a qualified audit opinion on the Raymond Mhlaba Local Municipality with repetitive similar findings on internal control deficiencies (cf. section 6.4.1; 6.4.2; & 6.4.3). Even though the respondents indicated that there are control measures in place at the Raymond Mhlaba Local Municipality for procurement processes, the repetition of qualified audit opinions with similar findings on internal control deficiencies indicate a lack of corrective action and persistent weaknesses in internal controls. Mhelembe and Mafini (2019:3) argue that compliance to procurement policies and regulations is mandatory to ensure transparency, equity, accountability and improve fairness, as this is perceived as strengthening control measures and reducing corruption and maladministration.

The above literature shows that lack of proper internal controls opens a gap for fraud and corruption in procurement processes. The primary intention of control measures as reflected in the above literature, is to prevent fraud and corruption. This then emphasises the need to strengthen internal controls by regularly conducting internal audits to identify and address control weaknesses.

6.6.2 Procurement processes

Manyathi (2019:120) explains that the public sector depends on quotes and tenders to procure goods and services needed to better the lives of citizens. The SCM Regulation 12(1), 2005, makes the provision for the procurement of goods and services by way of petty cash, written or verbal quotations, formal written price

quotations and competitive bidding process within the threshold values as determined by the National Treasury (National Treasury, 2021:36). From the data collected through interviews, the respondents mentioned that the Raymond Mhlaba Local Municipality procures its goods and services through petty cash, written or verbal quotations, formal written price quotations and competitive bidding process within the amended threshold values as determined by the National Treasury (cf. section 6.4.1, & 6.4.2). The AGSA's audit findings of 2021/2022 (cf. section 6.4.1 B(1)) points out that the municipality contravened SCM Regulation 19(a) which requires procurement of goods of a transaction value above R 200 000.00 to be done through inviting competitive bids.

Mazibuko (2018:117) argues that competitive bidding fulfils the principles of free competition. Section 217 (1) of the Constitution of the Republic of South Africa, 1996 states that, when an organ of state in the national, provincial or local sphere of government contracts for goods and services, it must do so in accordance with a system which is fair, equitable, transparent, competitive and cost effective. Adherence to SCM Regulations and policies is crucial in procurement processes to ensure transparency in procurement processes, fairness by guaranteeing equal treatment of all suppliers, open competition, accountability by holding officials accountable for unethical behaviour and value for money by ensuring that public funds are used efficiently and effectively.

6.6.3 Ethical dilemmas in procurement processes

Adhering to the principles of loyalty and respect for policies and regulations, integrity, impartiality and fairness, transparency, confidentiality, avoiding the impression of impropriety and exercising due diligence in SCM processes, are all necessary for ethical procurement (Thomas, 2023:167). Feedback from the respondents showed that accepting bribes from suppliers, splitting purchase orders, conflict of interest, misusing emergency procurement procedures, not rotating suppliers, colluding with suppliers and lack of procurement planning are the root causes of unethical behaviour during procurement processes (cf. section 6.4.1, 6.4.2, & 6.4.3). Sidaeli (2020:78) argues that, to ensure that procurement processes are carried out fairly, openly, and in compliance with the relevant legal and regulatory framework, ethical procurement processes should be regularly monitored and evaluated.

The respondents' identification of root causes of unethical behaviour during procurement processes suggests that they understand the challenges that they face during procurement processes. The above literature emphasises the importance of adhering to principles like respect for policies and regulations, integrity, transparency, confidentiality and exercising due diligence in SCM processes. To address the above root causes of unethical behaviour during procurement processes, it is essential to establish clear lines of accountability, conduct regular internal audits as well as monitor and foster a culture of integrity and transparency. By addressing the root causes of unethical behaviour and following best practices, the municipality may strengthen its procurement processes and promote ethical conduct. This includes implementing clear procurement guidelines, rotating suppliers regularly and enhancing transparency. Regular conflict of interest disclosures, proper planning and staff training on ethics and compliance are also crucial for ensuring accountability and preventing misconduct.

6.6.4 Legislative and regulatory framework that guides procurement processes

Regulations to control procurement processes are essential for the prudent use of public funds. Compliance with procurement policies and regulations is mandatory to ensure that transparency, equity, accountability and fairness are enhanced, as this is perceived as strengthening control measures and reducing corruption and maladministration (Mhelembe & Mafini, 2019:3). The respondents at the demand and acquisition management section confirmed that the Raymond Mhlaba Local Municipality does follow the PPPFA, B-BBEEA and National Treasury Regulations when procuring goods and services and that there are challenges in the implementation of the PPPFA, B-BBEEA and National Treasury Regulations which are addressed by attending training and workshops provided by the Provincial Treasury.

The AGSA's audit findings of 2020/2021 and 2021/2022 (cf. section 6.4.1 B(3)) suggest that there is a lack of compliance with the PPR 2022 and SCM Regulations, and that the municipality is not following a transparent and fair procurement process as required by the Constitution of the Republic of South Africa, 1996. This may lead to there being an unfair advantage to certain bidders and lack of competitiveness. The PPR, 2022 section (3)(1) states that the preference point system must be decided

upon before a bid is advertised and must be specified in the bid invitation. Zitha *et al.* (2016:66) asserts that, procurement officials face compliance challenges when carrying out their duties, these challenges are related to professionalism, sound knowledge of procurement regulations and institutional factors. The researcher's opinion is that, if a procurement official is not familiar with procurement regulations, it is likely that there will be non-compliance with procurement regulations.

From the researcher's analysis of the above literature and interview responses, it is clear that the municipality fails to implement procurement policies and regulations effectively. Inadequate internal controls and monitoring mechanisms allow non-compliance practices to occur. Procurement officials may lack knowledge to implement procurement policies and regulations correctly if they do not attend training and workshops on the changes in procurement policies and regulations. Ineffective leadership and oversight enable non-compliance practices to continue. Procurement officials may have challenges in adapting to new procurement regulations because of resistance to change and the absence of consequences for non-compliance leads to a lack of accountability. Attending training and workshops may assist in adapting to new procurement regulations and addressing resistance to change. To address the absence of consequences for non-compliance, applying disciplinary action may ensure accountability for non-compliance. However, proactive measures such as regular training of employees, clear procurement policies, internal audits, automated compliance systems and fostering a culture of accountability and ethical behaviour, to address the gaps in compliance are preferable as opposed to reactive measures.

6.6.5 Lack of knowledge, skills and capacity

To improve service delivery, it is vital that officials carrying out public procurement processes are competent (Gabela, 2019:12). The respondents confirmed that, the municipality does provide training and workshops to its employees. Employees are nominated to attend relevant training and workshops and quotations are obtained from suitable training providers offering the relevant training and workshop programs. The Provincial Treasury invites municipalities for available training and workshops, and the municipality nominates employees to attend those training and workshops relevant to their sections. Dessler (2020:218) asserts that, employees who attend training, gain more knowledge and skills thus enabling them to complete institutional tasks.

The feedback from the respondents (cf. section 6.4.1 B (9), 6.4.2 B (6), & 6.4.3 B (5)) indicates that the municipality recognises the importance of training and development for their employees and from the researcher's viewpoint, providing training and workshops demonstrates a proactive approach to addressing capacity gaps and staying up to date with regulatory changes. The above literature highlights the importance of attending training and workshops and how training and workshops can lead to improved job performance, productivity and overall service delivery. Training and workshops can help address specific knowledge and skills gaps identified within the municipality.

The most neglected step in the training process is training assessments. Many institutions fail to evaluate their efforts and training and development and those that do so consistently do so insufficiently (Gabela, 2019:12). The respondents confirmed that individual training assessments are done in the form of POE's to assess the effectiveness of training and workshops. The training assessments are completed after the training and workshops have been completed and are submitted for marking to the training or workshop facilitator, however, the respondents mentioned that, not everyone manages to complete them and some officials submit them incomplete.

From the above feedback from interviews, it is evident that, some officials do not feel accountable for providing feedback on the training and workshop by way of completing the training assessments. The municipality may not receive comprehensive feedback if training assessments are not completed, making it challenging to assess training and workshop effectiveness. Supervisors should also make it mandatory for officials who have attended training and workshops to submit completed training assessments on the training and workshops attended because without feedback in the form of training assessments from officials who attended the training and workshops, the municipality may miss opportunities to refine and improve on choosing the relevant training programs to send officials to. Literature suggests that (cf. section 2.6.1), training assessments are essential for evaluating the effectiveness of training programs and tracking participants progress, however, training assessments are often neglected, which limits performance improvement. Training assessments help determine if participants gained new skills and if the training met its intended objectives. The researcher is of the view that, incomplete assessments may lead to

inaccurate conclusions about training and workshops effectiveness.

6.6.6 Challenges faced when procuring goods and services

Molokomme (2019:3) provides that government initiatives to enhance the public sector procurement processes have failed to yield the desired outcomes. Some of the reasons cited for these failures are incidences of tender irregularities. There are incidences of rules being flouted to prevent working with restricted suppliers. There is failure to follow the correct procurement processes and there are incidences of underperformance by service providers whilst also having to work with limited municipal budgets, which reduces productivity and efficiency thus making municipalities struggle to expand their capacities (Mbatha, 2020:16).

Feedback from the interviews (cf. section 6.4.1 B (11), 6.4.2 B (8), & 6.4.3 B (7)) showed that the common challenge faced by the demand and acquisition management; asset management and project management sections in procurement processes is budget restrictions, which limits procurement options. Some of the other challenges cited are fewer suppliers responding to requests for quotations, suppliers who do not meet specification requirements, frequent changes in the procurement legislative and regulatory frameworks causing confusion and delays in procurement processes. Other challenges cited are: late submissions of procurement requests from end-users resulting in deviating from normal procurement processes using emergency deviations which is a challenge, poor communication between end-users and SCM section causing misunderstandings and delays, manual bar-coding of newly acquired assets, poorly defined project scopes and timelines as well as contractors who bid for tenders and then hire sub-contractors who lack the necessary expertise to do the work. Furthermore, there is a challenge of underperforming contractors causing delays in the completion of projects and contractors who do not complete projects as agreed.

The above-mentioned challenges faced by the respondents in procurement processes suggest that the municipality is exposed to risks such as non-compliance with regulations and potential for fraud and corruption. Addressing the above-mentioned challenges requires a comprehensive approach to streamline procurement processes and procedures and enhance transparency as well as accountability including process improvements and capacity building. This can be done by conducting regular risk

assessments, conducting regular compliance audits and analysing existing standard operating procedures. Improving procurement planning may assist with having an effective budget allocation, prioritise spending and limit the late submission of procurement requests. The performance of contractors needs to be monitored, it is important to have regular meetings with contractors to discuss underperformance and ways to address the underperformance. Clear communication channels need to be established and regular meetings between end-users and the SCM section to discuss new changes in procurement processes need to be considered. Conducting market research is crucial to avoid having fewer suppliers responding to requests for quotations and using the CSD enables a wider database of suppliers that can be used.

6.7 CHAPTER CONCLUSION

This chapter considered the fifth objective of the study, which is to analyse, interpret and present the collected data through interviews and document analysis. The data collected through interviews, which represented the perceptions and views of demand and acquisition management, asset management and project management officials at the Raymond Mhlaba Local Municipality on control and oversight measures for ethical conduct in procurement processes, was analysed and interpreted in this chapter. Individual interviews were conducted with eight demand and acquisition management officials, five asset management officials and five project management officials at the Raymond Mhlaba Local Municipality offices, resulting in a total of 18 officials interviewed for the study. The interview questions were informed and guided by the explored literature as discussed in previous chapters.

Triangulation, an important aspect of qualitative research was achieved through comparing the responses of the interview respondents with relevant documents such as the AGSA's audit reports; internal audit reports of the Raymond Mhlaba Local Municipality; bids and contracts management documents; asset management documents; project management documents as well as score sheet documents used to score suppliers for specific goals and price when evaluating quotations. The above-mentioned documents revealed that, there is inadequate oversight and monitoring at the municipality and non-compliance with SCM policies and legislation, although the officials interviewed were not of the same opinion. The above-mentioned documents

also revealed that, the existing control measures at the municipality are not consistently enforced.

The researcher has observed a concerning trend in that, most of the responses provided by the respondents are contradicted by the AGSA's audit reports. The AGSA is the supreme audit institution in South Africa and derives its powers from the Constitution of the Republic of South Africa, 1996. The findings of the AGSA therefore present independent audit opinions of the municipality. The internal audit function of the municipality also plays an important role of amongst others ensuring that the internal control environment is effective, however, management of the municipality has the responsibility to implement recommendations of the auditors.

Although it is concerning that most of the responses from the interviewees were contradicted by the aforementioned audit reports, the checks and balances available in qualitative research, that is, triangulation, have enabled the researcher to consult other sources to confirm/dispute the responses of the respondents. Triangulation helped the researcher to not only rely on the interview responses as this would have resulted in flawed research findings. The second section of the chapter considered the themes that were identified from the interviews in relation to themes from the literature that the researcher reviewed in terms of control measures for ethical conduct; procurement processes; ethical dilemmas in procurement processes; legislative and regulatory framework that guides procurement processes; lack of knowledge, skills and capacity and challenges faced during procurement processes. The discussion reflected the views gathered through exploring the literature and using the responses from various respondents that revealed that, the repetition of qualified audit opinions with similar findings on internal control deficiencies indicate a lack of corrective action and persistent weaknesses in internal controls of the municipality.

The procurement processes in the municipality are not done in accordance with a system which is fair, equitable, transparent, competitive and cost effective. The AGSA's audit findings and the internal audit reports of the municipality revealed that, the municipality failed to comply with SCM policies and regulations. Inadequate internal controls and monitoring mechanisms allow non-compliance with SCM policies and regulations. Feedback from the interviews revealed that, accepting bribes from

suppliers; splitting purchase orders, conflict of interest, misusing emergency procurement procedures, not rotating suppliers, colluding with suppliers, and lack of procurement planning are the root causes of unethical behaviour in procurement processes. In addition, enforcing consequence management by holding officials accountable for unethical behaviour, is not a proactive strategy to curb unethical behaviour in procurement processes but rather a reactive strategy. The common challenges faced by the respondents in procurement processes are budget restrictions which limit procurement options, conflict of interest, underperforming suppliers, poor planning by the municipality and the poor communication between end-users and SCM section. Chapter seven focuses on recommendations and the study's conclusion.

CHAPTER SEVEN

RECOMMENDATIONS AND CONCLUSION

7.1 INTRODUCTION

The aim of this last chapter is to provide a conclusion and recommendations based on the findings from the study. This study was conducted to consider how the Raymond Mhlaba Local Municipality can improve their control and oversight measures for ethical conduct in procurement processes. The improvements may be achieved by strengthening internal controls and monitoring systems to detect and address ethical dilemmas earlier on and to foster continuous improvement, therefore, this chapter presents a general summary of the findings, recommendations and proposed conceptual framework that may assist this municipality to accomplish transparency, accountability and fairness in its procurement processes, assist in reducing corruption risks and ensure that public resources are managed ethically and efficiently.

7.2 GENERAL SUMMARY

This section provides an overview of the study by summarising the study to conclude on what the researcher aimed to examine.

7.2.1 Research introduction

Chapter one of the thesis served as the general introduction to this research and was derived from the study's research proposal. Discussions in chapter one included the background and rationale for the study, the research design and methodology as well as ethical considerations applicable to this study. It was necessary to conduct the study because of the growing trend of municipalities not adhering to applicable legislation and regulations in procurement processes which is a concern. Poor planning, unethical behaviour and non-compliance with SCM policies and regulations are some of the challenges that public officials face in South Africa. Corrupt practices emerge if an integrated approach and efficient control mechanisms are not implemented. An explanation of the proposed research design and methodology was provided and ethical clearance for this research was obtained from UNISA's Ethics Review Committee. Significant terms that were used throughout the study such as supply chain management and procurement were defined and an outline of the study's chapters was presented to explain the structure of the thesis.

It was deemed important to conduct this study since it sought to develop a framework for addressing the main objective of this study which is: *to determine the effectiveness of the control measures in place for public procurement processes and reasons and causes of non-compliance with legislations guiding public procurement processes.*

The below objectives were taken into consideration in an attempt to address the aim of the study.

7.2.2 Research objective one

This section discusses the first objective for this research which is: *to review literature on control measures for ethical conduct in the public sector; procurement processes in the public sector and challenges faced by the South African public sector when procuring goods and services* (cf. section 1.5).

In chapter two of the study, the literature review on control measures for ethical conduct in the public sector; procurement processes in the public sector and challenges faced by the South African public sector when procuring goods and services was presented to address the research question: *What has been published on control measures for ethical conduct in the public sector; procurement processes in the public sector and challenges faced by the South African public sector when procuring goods and services?* The literature review addressed the main themes of the study, which are, control measures for ethical conduct and procurement processes.

Literature on control measures for ethical conduct in the public sector was described (cf. section 2.3). Authors such as Moolman (2021:70), Jori (2022:18), Babalola (2020:12), Adegbile *et al.* (2021:291) (cf. section 2.3) collectively emphasise that, control is essential for the efficient and effective use of resources to achieve organisational goals. The above authors describe controls as management-established rules and procedures that offer reasonable assurance of success.

Internal control as a control measure is explained by Ndyalivane (2025:37) (cf. section 2.3.1) as a strategy implemented by management to manage risks and increase the chances of achieving organisational goals. Internal control involves planning,

developing, organising and overseeing measures that offer reasonable assurance of success (cf. section 2.3.1). Risk management as a control measure is explained by Jori (2022:17) (cf. section 2.3.2) as the possibility of events or actions harming an organisation. Risk management according to Jori (2022:17) (cf. section 2.3.2) acts as the second line of defence, aiming to reduce the likelihood and impact of negative outcomes while also enhancing potential benefits from decisions.

When explaining financial reporting as a control measure, Mbatha (2020:10) (cf. section 2.3.3) identifies three key financial reporting functions: financial planning (forecasting and assessing proposed actions), financial decision-making (selecting suitable funding and financial structures) and financial control (monitoring financial elements to ensure effective plan implementation). Authors such as Mnguni and Subban (2022:148) (cf. section 2.3.3) note that, to strengthen accountability, the MFMA requires municipalities to compile and present annual reports to the council. These reports must include financial statements, performance reports and the Auditor-General's findings. Radebe (2021:18) (cf. section 2.3.3) highlights that, the annual report's objective in a municipality is to present a record of the activities that took place in a municipality during the relevant financial year, as well as information on how a municipality performed in contrast to their budgets. Annual reports are the main tool used by municipalities to report on the expenditure plans and performance targets outlined in their strategic plans.

Authors such as William *et al.* (2018:4) and Zweni (2022:78) (cf. section 2.3.4.) explain that auditing as a control measure, is a systematic and unbiased process of collecting and evaluating financial information to determine how well it aligns with set criteria, followed by reporting the results to relevant stakeholders. Auditing helps protect funds from theft, waste, misuse and errors, and in the public sector, auditing ensures compliance with laws and regulations. Azinogo (2023:36) (cf. section 2.3.4) emphasises that, consistent disclosure by public institutions and independent auditing enhances public trust, accountability and confidence in financial reporting. This, in turn, supports economic growth and encourages greater investor engagement. Monnatlale (2023:22) (cf. section 2.3.4) argues that most South African municipalities receive poor audit outcomes due to weak financial management and non-compliance with the systems

outlined in the MFMA, resulting in widespread financial challenges and few clean audits from the AGSA.

Under the discussion of auditing as a control measure, literature on internal and external auditing was considered. Authors such as William *et al.* (2018:25), Geqeza (2023:49), Mbetha and Moosa (2024:37), Ar'Reza *et al.* (2020:69), and Ndyalivane (2025:34) (cf. section 2.3.4.1) emphasise internal auditing as a crucial management tool, particularly for municipalities. These authors describe internal auditing as an independent function that adds value by enhancing risk management, controls and governance. The above authors also highlight persistent fraud challenges in municipalities, reinforcing the need for robust internal audits. These authors also add that, globally, internal auditing is recognised as best practice for fraud prevention and detection and additionally, the MFMA in section 165 mandates internal audit functions in municipalities to ensure effective governance and compliance, provided they are objective and well-resourced. Overall, internal auditing is key to improving accountability, transparency, and organisational performance

Multiple authors such as Mbengo (2024:6), Jeppesen, (2019:1,9) Cicek and Dikmen (2021:8), Mohsin and Abdulkareem (2022:4), Puttick and Van Esch (2017:42) as well as Thusi and Matyana (2024:135) (cf. section 2.3.4.2) explain external auditing as a vital corporate governance tool that promotes financial transparency, accountability and trust. According to the above authors, external auditing supports efforts to reduce corruption and enhance governance, with independence being essential for credibility. In South Africa, the AGSA, mandated by the Constitution of the Republic of South Africa, 1996 serves as the official external auditor for all public institutions, reinforcing oversight and public trust.

The researcher also considered literature on procurement processes in the public sector (cf. section 2.5). In writing about public procurement, authors such as Manyathi (2019:120) as well as Fourie and Malan (2020:1) (cf. section 2.5) mention that, public procurement is essential for economic performance and public service delivery, reflecting government effectiveness. Public procurement according to the above authors involves acquiring goods and services to meet institutional needs and improve citizens' lives. The above authors further mention that, in South Africa, public

procurement is guided by rules and principles, with Section 217 of the Constitution of the Republic of South Africa, 1996 requiring a system that is fair, transparent, competitive and cost-effective.

Under the discussion of procurement processes in the public sector (cf. section 2.5.1), the procurement process was explained as follows:

Procurement planning (cf. section 2.5.1.1) – National Treasury (2011:1) explains that procurement planning begins at the start of each financial year and involves collaboration between the procurement unit, chief financial officer and user departments.

Acquiring the required goods, services, and works (cf. section 2.5.1.2) – It is explained by National Treasury (2014:2) and Ndlovu (2017:34) that, the procurement unit, in collaboration with end-users, use strategic sourcing to acquire goods and services effectively. This involves market research, confirming budgets, choosing procurement methods and assessing demand and supplier timelines.

Assessment and evaluation of written price quotations and tender documents (cf. section 2.5.1.3) - National Treasury (2022:8) states that, written price quotations and bids must be evaluated using the 90/10 (for tenders) or 80/20 (for written price quotations) point scoring.

Awarding to the successful bidder (cf. section 2.5.1.4)- Manyathi (2019:85) as well as Bizana (2019:48), explain that, after scoring and evaluation has been done by the bid evaluation committee, the bid adjudication committee considers the recommendations of the bid evaluation committee and awards the tender to the successful bidder. An award letter is drafted and the successful bidder signs the award letter to accept the award of the tender

It was also important that the chapter considers literature on the challenges faced by the South African public sector when procuring goods and services (cf. section 2.6). Authors such as Molokomme (2019:3) and Fourie and Malan (2020:1) (cf. section 2.6) note that, despite major procurement reforms since 1994, challenges persist in South Africa's public procurement, including tender irregularities, rule violations and supplier underperformance, all of which harm service delivery.

The discussed challenges faced by the South African public sector when procuring goods and services included the following (cf. section 2.6):

Lack of knowledge, skills and capacity (cf. section 2.6.1.) – Mbatha (2020:16) and Gabela (2019:12) argue that local municipalities in South Africa face significant challenges due to a shortage of skilled personnel to implement legislation and financial development programs. Effective financial management relies on qualified staff and strong internal capacity, but limited budgets hinder progress. Although in-house training for procurement officials is offered, it often lacks proper assessment, leading to minimal improvements. Government programs aimed at addressing these issues frequently fail due to poor coordination and implementation.

Non-compliance to procurement policies and regulations (cf. section 2.6.2.) – Authors such as Sibanda *et al.* (2020:5), Bizana (2019:60) (cf. section 2.6.2.), as well as Zitha *et al.* (2016:68) (cf. section 2.6.2.) observed that, local governments in South Africa frequently receive qualified audit opinions due to non-compliance with procurement policies and regulations, indicating financial misstatements or lack of sufficient supporting information. Common issues include unjustified deviations from procurement rules and regulations, failure to use the preference points system, non-existence of a supplier database, awarding contracts to low-scoring bidders, and inadequate verification of supplier's details on the CSD. These violations lead to tender irregularities, ultimately undermining effective service delivery.

Lack of accountability in procurement processes (cf. section 2.6.3.) – Authors such as Sibanda *et al.* (2020:5) as well as Kiawa (2021:52) emphasise that accountability is essential for good governance and effective municipal financial management. Accountability ensures that those in authority act responsibly and are held answerable for their actions or failures. Given that public procurement involves significant public funds, strong accountability systems are crucial, however, many municipalities lack such systems and effective disciplinary measures, contributing to poor performance and failure to fulfil their duties. Sanctions should be enforced when responsibilities are neglected.

Poor contract management (cf. section 2.5.4.)– It was explained by (Jacobs, 2021:28) that, when contracts are not effectively overseen, service delivery can suffer,

stakeholder relationships may become strained, and service providers often fall short of expectations. Furthermore, poor contract oversight can damage public trust and contribute to inadequate service quality, overspending, and the inability to fulfil project requirements. National Treasury (2010:6) suggests that, weak contract management may result in payments being made for goods or services that fail to meet the specifications set out in the agreement.

Unethical behaviour (cf. section 2.5.5.) - According to Sibanda *et al.* (2020:3), Fourie and Malan (2020:16), Ndlovu (2021:19) and Ngubane (2021:1), ethics in good governance involve moral principles and standards that guide public officials to serve the interests of the public. Unethical behaviour such as corruption, nepotism and bribery harms service delivery and erodes public trust. Strong ethical leadership is essential to combat these issues, yet despite existing codes of conduct, unethical practices persist in South African local governments, often leading to public dissatisfaction and protests over poor service delivery.

7.2.3 Research objective two

This section discusses the second objective of the study which is: *to reflect on literature on theories of ethics in the public sector.*

Chapter three presented a reflection of the second objective of the study, namely to: *reflect on literature on theories of ethics in the public sector.* In chapter three, the researcher discussed literature on theories of ethics in the public sector. The chapter reported on the three opposing theories pertinent to this study as they provide guidance for moral behaviour and explain the reasons behind an individual's actions. The theories also describe the traits of a virtuous person. In this regard, the researcher identified deontology (cf. section 3.2), consequentialism (cf. section 3.3) and virtual ethical theories (cf. section 3.4) for analysing ethical dilemmas.

The **first ethical theory** that the researcher considered is deontological theory (cf. section 3.2). Authors such as Duigman (2011:69), Khubana (2021:27), Gwanzura (2018:18), Sobayeni (2015:36) as well as Akor (2019:38) (cf. section 3.2.1) argue that the deontological ethical theory, focuses on duty and moral obligation, it emphasises

that public officials must act according to established ethical standards, regardless of consequences. The deontological theory according to the above authors, asserts that certain actions, like serving the public, are inherently right and that morality is grounded in duty, integrity, justice and respect. Critics, however, argue that deontology lacks clear guidance for determining specific duties and can be overly rigid, especially in Kantian form. While some view deontological theory as insensitive to context and outcomes, Kantian scholars maintain that virtue ethics is already embedded in the deontological theory.

The **second ethical theory** that the researcher looked at is consequential theory (cf. section 3.3.1). Motshwane (2018:33); Mufamadi (2017:15); Khubana (2021:24); Gwanzura (2018:21); Sobayeni (2015:38) as well as Rossouw and Van Vuuren (2018:59) (cf. section 3.3.1) are amongst the authors who have written extensively on consequentialism theory. The above authors argue that consequentialism is an ethical theory that judges the morality of actions based on their outcomes. If an action results in more good than harm, it is considered morally right. The consequentialist morality is based on two fundamental opposing theories, which are briefly explained below. Utilitarianism (cf. section 3.3.1.1), which views societal consequences, and egoism (cf. section 3.3.1.2), which views personal consequences.

Utilitarianism (cf. section 3.3.1.1) authors such as Al-Tarawneh (2020:408), Rachels and Rachels (2019:82); and Singo (2018:43), as well as Khubana (2021:25) (cf. section 3.3.1.1) explain that utilitarianism promotes actions that maximise happiness and minimise suffering for all affected. Critics argue that predicting outcomes can be difficult and what benefits one person may not benefit others equally. While utilitarianism is often seen as hedonistic, Mill redefines happiness in terms of personal development and rational thought, aligning it more closely with Aristotle's eudemonia (cf. section 3.3.1.1).

Egoism (cf. section 3.3.1.2) authors such as Clarke (2019:125), Gwanzura (2018:20); Sobayeni (2015:36), as well as Singo (2018:44) (cf. section 3.3.1.2) argue that egoism is an ethical theory that prioritises self-interest, often linked to unethical behaviour in the public sector. The above authors further argue that egoism distinguishes unethical from ethical leadership, as self-centred leaders may misuse public resources for personal

gain. Egoism contributes to corruption and dishonesty, with individuals seeking power to advance their own interests over others' well-being. A key criticism of egoism is its lack of objective moral standards, as it justifies actions based solely on personal benefit, regardless of their impact on others.

The **third ethical theory** that the researcher looked at, is the virtue theory (cf. section 3.4). The assumptions of the virtue theory are explained by authors such as Arthur *et al.* (2020:315), Atakpa (2017:163) as well as Bykova (2018:451) (cf. section 3.4.1). The above authors explain that virtue ethics is a moral theory that emphasises a person's character rather than individual actions when evaluating ethical behaviour. Virtue ethics according to the above authors centres on questions like "What makes a good person or good public official?" and emphasises qualities like honesty, integrity and moral motivation. Virtue ethics values consistent moral character, not just rule-following or fear of punishment. Critics argue that virtue ethics lacks clear guidance in morally ambiguous situations compared to rule-based theories like deontology or consequentialism. Scholars like Koenane (2018:67), Martela (2018:60) as well as Greene (2019: 430) (cf. section 3.4.1) argue that virtue ethics offers deeper moral motivation and is especially effective in crisis situations and in corporate ethics, where it promotes genuine ethical behaviour rather than compliance alone. While laws can support virtue development, virtue ethics focuses on internalising moral values over external enforcement.

7.2.4 Research objective three

This section discusses the third objective of the study which is: *to examine relevant legislative and regulatory framework guiding procurement processes in the South African public sector.*

Chapter four of the thesis described the legislative and regulatory framework guiding procurement processes in the South African public sector to address the third objective of the study. The description was on the legislative and regulatory frameworks that provides guidance and directives directing procurement procedures to improve the control and oversight measures for ethical conduct in procurement processes. It was mentioned (cf. section 4.2) that the laws governing public procurement procedures are

based on the Constitution of the Republic of South Africa, 1996. When an organ of state in the national, provincial or local sphere of government, or any other institution designated in national legislation, enters into a contract for goods and services, it must do so in conformity with a system that is fair, equitable, transparent, competitive and cost-effective, in accordance with Section 217(1) of the Constitution of the Republic of South Africa, 1996. The Constitution of the Republic of South Africa, 1996 contains guiding principles on how public procurement processes should be performed, namely, fairness and equity, transparency, competitiveness, and cost-effectiveness.

The chapter considered the MFMA (cf. section 4.3). It was indicated that the MFMA's functions include regulating financial management, defining responsibilities, establishing a framework for financial management governance as well as establishing standards for the effective and efficient administration of revenue, expenses, assets and liabilities. To ensure that municipal finances are managed sustainably and that communities receive the best services possible, the MFMA aims to modernise budget, accounting and financial management practices. The MFMA plays a pivotal role in shaping the procurement landscape at the municipal level, offering a legal framework for financial management that is essential for ethical conduct.

The requirements of the PPPFA were outlined (cf. section 4.4). It was mentioned that public service departments are required by the PPPFA and its regulations to conduct their procurement procedures within the legally mandated framework. In line with the PPPFA, a preference point system is used to award bids to address the effects of the discriminatory practices of the apartheid administration, where most black people could not participate in public sector procurement processes as suppliers. The PPPFA plays a vital role in enhancing control and oversight measures for ethical conduct in procurement processes. It ensures that procurement is conducted transparently, fairly and in a manner that promotes socio-economic development and transformation. By mandating transparent tendering processes, promoting accountability and encouraging competition, it aims to reduce the scope for unethical practices such as corruption and favouritism.

The chapter considered the B-BBEEA, an important act that aims to empower the previously marginalised through procurement processes (cf. section 4.5). It was

highlighted that, the goals of the B-BBEEA, are to give the minister the power to develop codes of good practice and offer a legislative foundation for the advancement of B-BBEE. The goals of the B-BBEEA are to further establish the B-BBEE advisory committee to manage all facets of the legislation, provide guidelines outlining the public and private sector's goals, roles and obligations and incorporate women, youth, individuals with disabilities as well as those living in rural areas in the mainstream economy. The B-BBEEA is highly relevant in improving the control and oversight measures for ethical conduct in public procurement. It provides a framework for integrating transformation and empowerment into procurement decisions, ensuring that procurement processes contribute to greater social equity and economic justice. By enforcing transparency, regulating fronting and requiring verification of B-BBEE scores, the B-BBEEA helps promote ethical behaviour and accountability.

The researcher also described the National Treasury Regulations (cf. section 4.6). It was highlighted that the National Treasury Regulations of 2005 as amended, specify the roles that accounting officers play in tendering as well as the steps that should be taken when an institution abuses the supply chain management system. Legislation and relevant National Treasury regulations serve as the guidelines for public procurement. A strong culture of adherence to the rules and guidelines controlling procurement processes is intended to be instilled and fostered by National Treasury regulations. According to the National Treasury, open and efficient competition is ensured by a framework of procurement laws, policies, practices and transparent procedures that are available to all potential bidders, such as the National Treasury Regulations. Public procurement is supported by five pillars, according to the National Treasury's general procurement guidelines, namely value for money, openness and transparency, ethics and fair dealings, accountability and reporting as well as equity, in line with section 217 of the Constitution of the Republic of South Africa, 1996.

The National Treasury Regulations are highly relevant in improving the control and oversight of ethical conduct in procurement processes. National Treasury Regulations establish a clear legal framework for procurement, promote transparency, ensure accountability and help prevent unethical practices such as corruption, favouritism and conflicts of interest. By requiring transparent bidding processes, regular audits and the

establishment of ethical procurement committees, the regulations create an environment that promotes accountability and oversight.

The researcher also looked at the MSA (cf. section 4.7). It was mentioned in the discussions that, providing municipal services is of utmost importance. The provision of services has major financial implications because it is the main duty of municipal government. It is common practice to enter into agreements with private firms for the provision and delivery of goods and services and therefore, it was crucial to examine the MSA in the discussion about public procurement at the local government level. The MSA specifically covers the requirements for entering into service delivery agreements and permits municipalities and municipal bodies to engage into service level agreements. A municipality must select a service provider through a competitive, fair, transparent, equitable and economical selection process if it offers a municipal service under a service delivery agreement.

The MSA plays a critical role in enhancing ethical conduct in municipal procurement by aligning municipal procurement with broader legal frameworks like the MFMA, PPPFA, and BBBEEA. The MSA helps create a more accountable and ethically responsible procurement process at the municipal level. The chapter also described the PAJA (cf. section 4.8). Under this description, it was emphasised that, everyone is entitled to legitimate, reasonable and equitable administrative action. Every individual is entitled to a written explanation for any administrative action that infringes upon their rights.

The PAJA is highly relevant to improving control and oversight measures for ethical conduct in public procurement processes by ensuring fairness, transparency, accountability and the right to judicial review. The PAJA plays a key role in protecting public procurement processes from corruption, unfair treatment and arbitrary decision-making. It also provides a mechanism for challenging procurement decisions that violate legal principles, helping to create a more ethical and accountable procurement environment.

The chapter also considered the PAIA (cf. section 4.9). It was highlighted that, the PAIA gives effect to section 32 of the Constitution, 1996. Section 32 of PAIA states that everyone has the right to access information that is held by the government. The PAIA promotes an open and accountable culture in both public and private organisations by

enforcing the right to access information, however, section 35 of the PAIA describes the grounds for information concealment in particular, public procurement scenarios. These comprise, among other things, tax information, personal privacy protection, third-party business and confidential data and government agency financial activities.

The PAIA plays a crucial role in improving the control and oversight measures for ethical conduct in procurement processes, by ensuring transparency, public access to information and legal recourse. The PAIA fosters accountability in procurement and helps reduce opportunities for unethical practices such as corruption, favouritism and fraud. The PAIA provides mechanisms for public scrutiny and encourages officials to act ethically, knowing that their decisions are open to review, however, challenges such as resistance to disclosure, complex access procedures and political interference remain. To maximise PAIA's impact, there needs to be consistent enforcement, capacity-building among oversight bodies and a commitment from public officials to uphold the principles of transparency and accountability. When fully implemented, PAIA can significantly improve the ethical standards of procurement and contribute to a more accountable and transparent public procurement system in South Africa.

The chapter was concluded by describing the code for ethical leadership in local government (cf. section 4.10). It was mentioned in the discussions that the purpose of the code for ethical conduct in local government, is to support the spirit of the Constitution of the Republic of South Africa, 1996 and enable a thriving legislative and regulatory framework. It was further mentioned in the discussion that the code for ethical leadership in local government also highlights key responsibilities of an ethical municipal leader, such as promoting an ethical culture, respecting political-administrative boundaries, appointing competent and ethical staff, ensuring committee integrity and diversity, addressing ethical breaches and poor performance as well as fostering respectful collaboration among leaders.

The code for ethical leadership in local government is crucial for ensuring ethical conduct in procurement processes because it promotes accountability, transparency and integrity by guiding leaders to set an ethical tone, appoint competent and honest officials as well as enforce clear boundaries between political and administrative roles. This strengthens oversight structures, ensures fair procurement practices and supports

decisive action against misconduct thus ultimately safeguarding public resources and enhancing service delivery.

7.2.5 Research objective four

This section discusses the fourth objective of the study which is: *to determine the most appropriate research methodology to answer the research questions.*

Chapter five addressed the fourth objective of the study (cf. section 1.5) which was to determine the most appropriate research methodology to answer the research questions. The study adopted and utilised a qualitative research methodology (cf. section 5.2.1) which was deemed suitable, so as to get a deep understanding of the phenomenon being studied in order to address the study's objectives and answer the research questions. Individual interviews (cf. section 5.2.1.1) and document analysis (cf. section 5.2.1.2) were the appropriate approaches that were used within the qualitative research methodology to address the study's objectives and answer the research questions. Individual interviews, according to Leedy and Ormrod (2019:67) (cf. section 5.2.1.1) are conducted between the researcher and informants with the goal of comprehending the informants' viewpoints on their lives, experiences or circumstances as they are articulated in their own words. To ensure trustworthiness of interview findings, document analysis was used for triangulation purposes to verify results from one viewpoint. Authors such as Clark *et al.* (2021:175) (cf. section 5.2.1.2) explain triangulation as the process of applying various methods or data sources in qualitative research to completely understand a phenomenon.

7.2.6 Research objective five

This section discusses the fifth objective of the study which is: *to analyse, interpret and present the collected data through interviews and document analysis.*

The fifth objective (cf. section 1.5) of the study was considered in chapter six. The data collected through individual interviews (cf. section 6.4., 6.4.2, 6.4.3) with the officials in demand and acquisition management, asset management and project management sections at the Raymond Mhlaba Local Municipality about control and oversight measures for ethical conduct in procurement processes was analysed and interpreted. The questions in the interview schedule were informed by the reviewed literature. The findings from the interviews were strengthened by analysing official documents with

the permission of the municipality, namely, bids and contracts management documents, asset management documents, project management documents, score sheet documents, the AGSA's audit reports as well as the internal audit reports of the Raymond Mhlaba Local Municipality.

The last section of the chapter (cf. section 6.6) considered the themes that were identified from the interviews and document analysis. The identified themes were compared with the existing literature to create an opportunity to establish possible ways that may contribute to the improvement of control and oversight measures for ethical conduct in procurement processes.

The consideration of literature on control measures for ethical conduct (cf. section 6.6.1), in relation to themes that emerged from the data shows that, there are control measures in place at the Raymond Mhlaba Local Municipality, however, the AGSA's repeated qualified audit findings are concerning because they point to ongoing weaknesses in internal controls and a lack of corrective action. A common response from the respondents to the AGSA's audit findings is an acknowledgment of the issues raised and a commitment to resolving them. Literature indicates that, inadequate internal controls create an opportunity for corruption and fraud in procurement procedures. In instances where feedback from officials differs from independent findings of the AGSA, the repeated independent findings of the AGSA and the municipality's internal audit function are considered as reflecting the status quo more accurately.

It was found that, (cf. section 6.6.2) the municipality's procurement processes are not conducted in accordance with a system that is fair, equitable, transparent, competitive and cost-effective as per the principles of section 217(1) of the Constitution of the Republic of South Africa, 1996. This finding conflicts with literature which suggests that, according to Section 217 (1) of the Constitution of the Republic of South Africa, 1996, any national, provincial, or local government sphere that enters into a contract, for goods and services, must do so in line with a system that is fair, equitable, transparent, competitive and cost effective.

The consideration of literature on ethical dilemmas in procurement processes (cf. section 6.6.3) in relation to the themes that emerged from the data, indicated that, the root causes of unethical behaviour in procurement processes are accepting bribes

from suppliers, splitting purchase orders, conflict of interest, abusing emergency procurement procedures, failing to rotate suppliers, colluding with suppliers and lack of procurement planning. Literature points to the fact that, regular monitoring and evaluation of ethical procurement procedures is necessary to ensure that procurement processes are conducted in a fair, transparent, and within the legal and regulatory frameworks.

The data on the legislative and regulatory framework (cf. section 6.6.4) that guides procurement processes pointed out that there is non-compliance with SCM policies and regulations during procurement processes. This is based on the AGSA's audit reports revealing non-compliance with SCM legislation and SCM regulations. A common response from the respondents regarding the AGSA's audit findings is that they acknowledge the findings and express commitment to address all the identified issues. Literature highlights that, regulations controlling procurement processes are important for the prudent use of public funds (cf. section 4.1).

Literature on lack of knowledge, skills and capacity (cf. section 6.6.5) was considered in relation to themes that emerged from the data, which pointed to that, the municipality does provide training and workshops to its employees relevant to their sections. However, when officials are completing the training assessments, some officials do not feel obligated to provide feedback on the workshop and training. The discussion on lack of knowledge, skills and capacity (cf. section 6.6.5) cautions that, if training assessments are not completed, the municipality will not get thorough feedback, which would make assessing the effectiveness of workshops and training difficult. Gabela (2019:12) (cf. section 6.6.5) suggests that the competence of officials conducting public procurement procedures is essential to improving service delivery.

The researcher identified common challenges (cf. section 6.6.6) experienced by officials in demand and acquisition management, asset management and project management sections, in procurement processes. There are challenges such as: budget restrictions which limit procurement options, conflict of interest and underperforming suppliers. Furthermore, there is poor planning by the municipality, which is a challenge and there is poor communication between end-users, who are the officials using assets, and the SCM section.

The aforementioned challenges faced by officials in demand and acquisition management, asset management and project management sections in procurement processes are in line with the challenges in existing literature. Literature suggests (cf. section 2.5) that for the government to meet the demands of its people, public procurement is crucial. The South African public sector, however, faces numerous challenges during procurement processes and government efforts to improve the procurement procedures in the public sector have not produced the expected results. Among the reasons given for these failures, are instances of irregularities in tenders, violations of regulations meant to prohibit dealing with limited suppliers, improper procurement procedures and poor performance from service providers. Another challenge that municipalities face is the struggle to grow their capacity due to limited finances that lower productivity and efficiency. Recommendations are provided below on how these challenges could be tackled to ensure ethical conduct in procurement processes.

7.2.7 Research objective six

This section discusses the sixth objective of the study which is: *to recommend what Raymond Mhlaba Local Municipality should do to improve control and oversight measures for ethical conduct in procurement processes.*

The sixth objective (cf. section 1.5) of the study is addressed in this chapter. An overview of the study is provided in this chapter by summarising how the study's objectives were met. Chapter seven further provides recommendations based on the research findings on what the Raymond Mhlaba Local Municipality should do to improve its control and oversight measures for ethical conduct in procurement processes.

The following paragraph provides the suggested recommendations regarding the *effectiveness* of the control measures in place for public procurement processes, as well as the reasons and causes of non-compliance with legislation guiding public procurement processes, in response to the aforementioned research objectives.

7.3 RECOMMENDATIONS

Recommendations based on the research findings are presented in this section.

7.3.1 Repetition of qualified audit findings by the AGSA

The AGSA's audit findings on the Raymond Mhlaba local municipality revealed the recurrence of qualified audit opinions highlighting similar internal control deficiencies, which suggests a persistent lack of corrective measures, indicating ongoing weaknesses in internal controls. It is important to improve audit outcomes by proactively addressing the concerning issues identified by the AGSA. This can reduce the likelihood of qualified audit opinions, thereby enhancing the municipality's credibility and trustworthiness by the community and key stakeholders. Taking corrective actions demonstrates a commitment to transparency and accountability, fostering public trust and confidence in municipal governance.

It is recommended that the municipality should conduct a comprehensive review by performing a thorough analysis of previous audit reports to identify recurring issues and their root causes. The municipality should also develop a detailed audit action plan to address identified deficiencies, assign responsibilities and set clear timelines for implementation. The municipality can further monitor progress by establishing a system to regularly monitor the implementation of corrective actions and adjust as necessary to stay on track. By implementing the above-mentioned recommendations, the municipality can address internal control deficiencies, improve audit outcomes and enhance overall governance.

It is recommended that the municipality should strengthen monitoring and oversight mechanisms by establishing robust monitoring systems to conduct comprehensive assessments by regularly evaluating the effectiveness of existing internal controls to identify and understand deficiencies and thus enable early detection of issues and prompt corrective actions. This proactive approach allows for timely interventions. It is also recommended that the municipality invests in continuous training programs for municipal officials to improve their understanding of internal controls and compliance requirements thus fostering a culture of accountability and competence.

7.3.2 Non-compliance with SCM legislation and SCM regulations

Feedback from the AGSA's audit reports and the Raymond Mhlaba Local Municipality internal audit reports revealed that there was non-compliance with SCM legislation and SCM regulations at this municipality. Non-compliance with SCM legislation and SCM regulations increases the risk of fraud and corruption in procurement processes.

Failure to comply with SCM legislation and regulations may diminish public confidence in the municipality's ability to manage resources effectively and transparently.

Addressing non-compliance with SCM legislation and regulations requires that the municipality must conduct internal audits to identify non-compliant areas and understand the underlying causes and implement corrective action plans. With the evolving SCM practices and technologies, it is of benefit to equip SCM officials with skills and knowledge necessary to adapt to changes in SCM regulations by providing them with or sending them on regular training and workshops. Training and workshops would assist SCM officials in ensuring that they understand and adhere to SCM legislation and regulations and reduce the risk of non-compliance. Establishing robust monitoring and oversight mechanisms is vital to ensure adherence to legal requirements. Compliance with SCM legislation and regulations is crucial for municipalities to ensure transparency, accountability and efficiency in public procurement processes. Adhering to the SCM legal framework helps prevent fraud and corruption, promotes fair competition and ensures that public funds are utilised effectively. By implementing these recommendations, the municipality may strengthen their procurement processes, enhance service delivery and build greater trust with the communities they serve.

7.3.3 Weaknesses in internal controls at the Raymond Mhlaba Local Municipality

The feedback from interviews showed that the municipality does have control measures in place for procurement processes. The AGSA's audit reports and the Raymond Mhlaba local municipality internal audit reports revealed that, internal controls at the Raymond Mhlaba local municipality are not functioning effectively and thus resulting in deficiencies. The repetition of qualified audit outcomes by the AGSA are concerning, as they indicate persistent weaknesses in internal controls. Such deficiencies may lead to risks including misappropriation of funds, unauthorised purchases, fraudulent transactions and non-compliance with SCM policies and regulations. To mitigate these risks, it is essential for the municipality to implement corrective actions, enhance internal controls by enforcing strong segregation of duties, regular audits and strict enforcement of compliance. Fostering a culture of transparency, accountability and ethics within the municipality and ensuring strict adherence to SCM policies and regulations would help safeguard public resources

and maintain the integrity of financial and performance reporting. Without effective controls, the municipality may experience inefficient processes, lack of accountability and poor resource management, leading to suboptimal service delivery.

It is recommended that the municipality should strengthen monitoring and oversight mechanisms by establishing robust monitoring systems to conduct comprehensive assessments by regularly evaluating the effectiveness of existing internal controls to identify and understand deficiencies and enable early detection of issues and prompt corrective actions. This proactive approach allows for timely interventions. It is advisable for the municipality to invest in continuous training programs for municipal officials to improve their understanding of internal controls and compliance requirements, fostering a culture of accountability and competence.

7.3.4 Poor communication between end-users; asset users and SCM section

Feedback from the interviews revealed that, there is poor communication between end-users and the SCM section causing misunderstandings and delays in procuring goods and services. It was also noted that, there is a lack of communication between officials using the municipality's assets and the asset management section in reporting missing assets and damaged assets which leads to these assets remaining unnoticed. This then results in inaccurate information on the asset register regarding the status and condition of assets.

To address this issue of lack of communication and to avoid procurement delays, errors and inefficiencies, it is recommended that the municipality must establish clear communication channels by implementing structured communication protocols to ensure timely and accurate information exchange between the end-users and the SCM section and officials using the department's assets and the asset management section. This may include regular meetings to give updates to new amendments in procurement processes and protocols of reporting unserviceable, redundant, damaged and obsolete assets. It is recommended that the municipality should encourage a culture of collaboration and promote an environment where sections work together towards common goals. Effective communication strategies are crucial for improving service delivery and by implementing these recommendations, the municipality may enhance communication between end-users, the SCM section,

officials using the municipality's assets and the asset management section, leading to more efficient procurement processes and better asset management outcomes.

7.3.5 Poor contract management

Feedback from the interviews showed that, projects done by contractors are monitored monthly, however, the AGSA's audit findings revealed that the performance of some of the contractors was not monitored monthly. The failure to monitor contractor performance monthly, as highlighted in the AGSA's audit findings, may have several negative implications for the municipality. These may affect both operational efficiency and the municipality's credibility. Without regular monitoring, there is a higher risk of contractors not adhering to the terms and conditions set in the contracts, including agreed timelines, quality standards and budgetary requirements. This may lead to subpar performance, delays or cost overruns. This can impact overall service delivery and may lead to projects being delayed, unfinished or of poor quality, which affects the municipality's operations and public satisfaction. When contracts are not regularly monitored, there is a risk of overpayment for work not completed to standard or payment for work that was not done at all. This may lead to financial losses to the municipality. If contractors know their performance will not be closely monitored, they may take advantage of the situation, which may lead to unethical practices, such as inflating costs, delivering substandard work or using subpar materials.

It is recommended that clear monitoring procedures must be established. The municipality should establish formal monitoring systems to regularly assess contractor performance. This could include setting specific key performance indicators (KPIs), timelines and quality benchmarks. The monitoring process should be clearly outlined in the contract. To address issues of underperforming contractors, the municipality should conduct monthly review meetings with contractors to assess their progress. These meetings should focus on timelines, financial progress and quality checks. Documentation of these reviews should be maintained to provide evidence of ongoing assessments. It is advisable for the municipality to invest in a digital contract management system that allows for tracking and monitoring of contract performance, this may help in setting up reminders for assessments, track milestones and flag any issues as soon as they arise. Clear and effective communication with contractors is key to ensuring that issues are identified and addressed quickly.

The municipality should establish regular lines of communication to encourage contractors to report challenges and work collaboratively to resolve issues. The municipal officials responsible for contract management should undergo regular training to ensure they understand the importance of contract monitoring, the skills needed for it and how to identify potential issues early as this would help build capacity within the municipality. It is recommended that the municipality should implement penalties for contractors who fail to meet performance standards. These penalties should be clearly defined in the contract to encourage contractors to adhere to timelines, quality standards and contractual obligations and the municipality should prepare detailed performance reports, which should be submitted by contractors on a regular basis. These reports should cover the scope of work, progress made, any delays and reasons for any issues and should be reviewed and compared against the agreed contract terms. By implementing the above-mentioned recommendations, the municipality may ensure that contractors are held accountable, work is completed as per the contract and service delivery standards are met, ultimately improving overall performance and public trust.

7.3.6 Implementation gaps on addressing audit-findings

The feedback from interviews showed that, the respondents acknowledge the AGSA's audit findings and express commitment to address all the highlighted issues. The AGSA's audit findings revealed a qualified audit opinion on the municipality, highlighting recurring issues that have not been addressed. Literature suggests that the efficiency and effectiveness of the public service can be enhanced if managers act on audit recommendations to improve government performance and resource management (cf. section 2.10.6). When audit recommendations are not implemented, the same issues reappear in subsequent audits and hinder progress. Persistent implementation gaps reflect weak leadership and governance, reducing transparency and weakening oversight mechanisms. By providing independent, objective assurance and advisory services, internal auditors can help strengthen internal controls, improve compliance with policies and regulations and promote accountability. Internal auditors' continuous engagement with management and audit committees can assist in ensuring that unresolved findings are escalated and that there is follow-through on corrective measures to prevent recurrence. Communication theory highlights the importance of clear and effective communication between internal

auditors, auditees and members of a public institution as a key factor in improving the effectiveness of internal audits (cf. section 2.3.4.1). The above views suggest that effective communication helps ensure that audit findings are clearly understood, appropriately interpreted and acted upon. Communication fosters transparency, builds trust, and reduces resistance from auditees, which can otherwise hinder implementation of audit recommendations. Without clear, respectful and constructive communication, audit findings may be ignored or misrepresented, leading to recurring issues and weak accountability. Therefore, from a communication theory perspective, strengthening communication channels directly contributes to the overall impact and credibility of the audit function.

It is recommended that, the municipal management should create clear, time-bound action plans to address each audit finding, with assigned responsibilities and regular progress tracking. The municipality must strengthen accountability mechanisms by establishing consequences for non-implementation of audit recommendations, including performance reviews linked to corrective actions. The internal audit unit and audit committees should actively monitor progress on implementing AGSA's recommendations and escalate unresolved issues. The municipality should improve communication by fostering open and ongoing communication between internal auditors, management and relevant departments to ensure shared understanding and ownership of audit findings.

7.3.7 Strengthening training evaluation and accountability

The feedback from interviews showed that some officials do not submit PoEs or submit incomplete PoEs. It is advisable for the municipality to make the submission of completed PoEs, mandatory. The municipality should implement consequence management for non-submissions of PoEs and introduce accountability measures such as linking PoE submissions to performance reviews. It is advisable for the municipality to link training and workshops to performance appraisals and incorporate training and workshops participation and submission of PoEs compliance into annual performance evaluations to reinforce the importance of learning accountability. The municipality should introduce financial penalties for not submitting PoEs by implementing financial consequences such as recovery of training and workshop costs

for officials who fail to submit PoEs without valid reasons. Literature suggests that managers must apply performance assessment instruments as a consequence (cf. section 2.6.1). Employees attending training and workshops should sign training and workshops agreements before attendance, making obligations legally binding. The above recommendations aim to protect the municipality's investment in employee development through training and workshops. The above recommendations would ensure that the effectiveness of training and workshops is properly evaluated and that employees are held accountable for fulfilling their professional development responsibilities.

7.4 CONCEPTUAL FRAMEWORK FOR STRENGTHENING THE EFFECTIVENESS OF CONTROL AND OVERSIGHT MEASURES FOR ETHICAL CONDUCT IN PROCUREMENT PROCESSES

The proposed conceptual framework for strengthening the effectiveness of control and oversight measures for ethical conduct in procurement processes is presented below. This conceptual framework may serve the purpose of improving the effectiveness of control and oversight measures for ethical conduct in procurement processes at the Raymond Mhlaba Local Municipality. The below proposed conceptual framework aims to come up with the necessary elements to improve the effectiveness of control and oversight measures for ethical conduct in procurement processes.

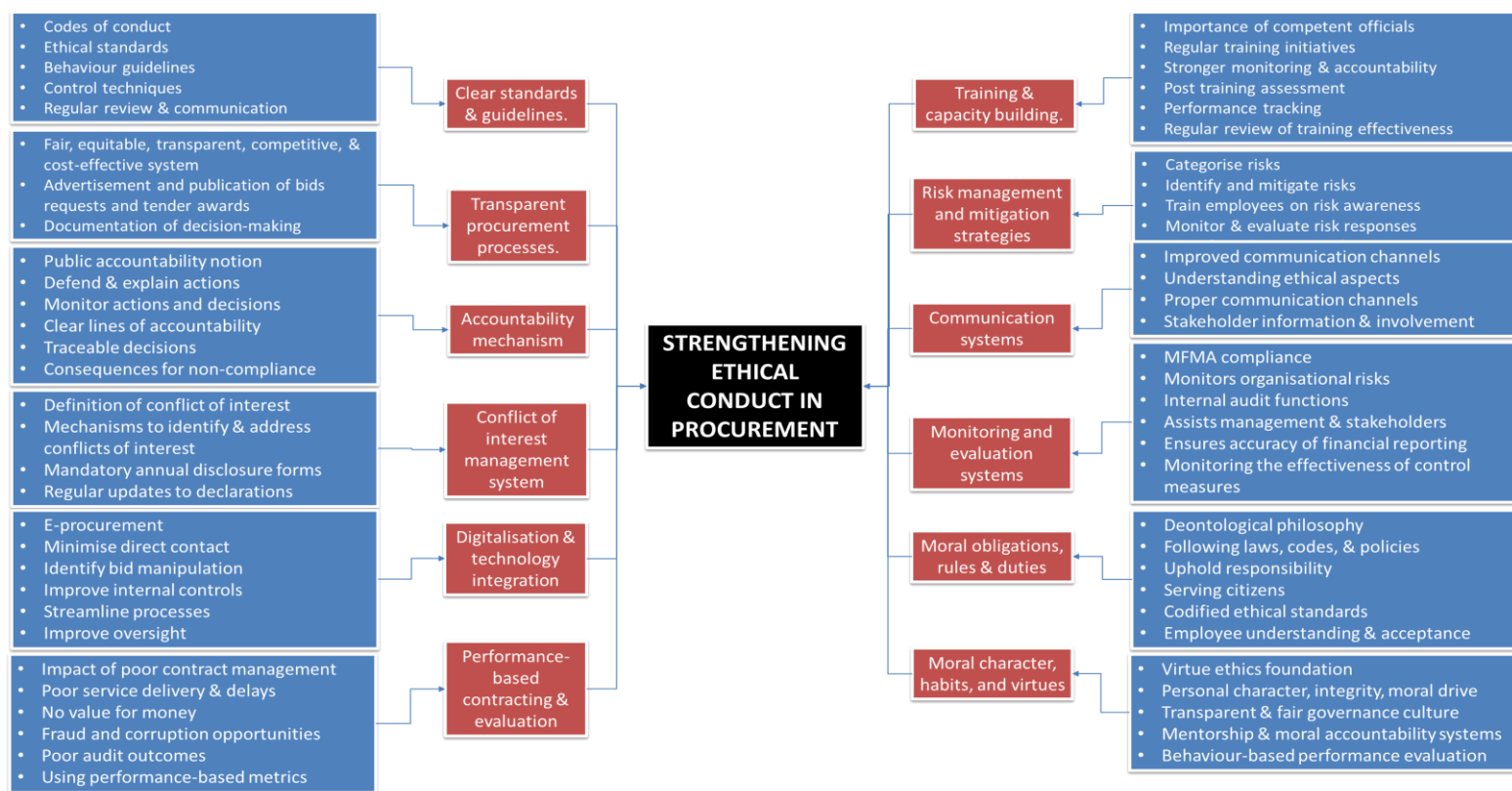


Figure 7.1: Conceptual framework for strengthening the effectiveness of control and oversight measures for ethical conduct in procurement processes.

The above framework outlines 12 interrelated elements designed to enhance control and oversight measures for ethical conduct in procurement processes. This framework emphasises the need for clear ethical standards and guidelines, transparent procurement processes, accountability mechanism, conflict of interest management system and digitalisation and technology integration. It promotes performance-based contracting and evaluation, training and capacity building for stakeholders involved in procurement processes, risk management and mitigation strategies, effective communication systems and monitoring and evaluation systems. Additionally, the above framework incorporates internal monitoring, the moral duties of officials and the cultivation of virtuous character traits. Together, these elements aim to ensure fair, responsible, and integrity-driven procurement practices. This framework is unique and stands to make a novel contribution to the body of knowledge on control and oversight measures in procurement processes in municipalities. The contribution of the study to the discipline of Public Administration, is discussed next.

7.5. CONTRIBUTION OF STUDY TO THE DISCIPLINE OF PUBLIC ADMINISTRATION

This study on control and oversight measures for ethical conduct in procurement processes makes a timely and necessary contribution to the discipline of Public Administration, particularly in light of ongoing concerns around corruption, maladministration, and inefficiencies in local government procurement practices in South Africa. As procurement is a key area where public resources are most vulnerable to abuse, this study was necessary to strengthen the institutional controls that ensure accountability, transparency, and ethical governance. In line with the expectations of a doctoral study, this study contributes to the discipline at both the theoretical and empirical levels:

At a theoretical level, the study adds to the body of knowledge on ethical governance by refining the understanding of control and oversight mechanisms specific to procurement in the local government context. It engages with established theories of public sector ethics, institutional accountability, and administrative controls, and applies them within the framework of municipal procurement processes. The researcher also developed data collection instruments tailored to capturing the nuances of ethical oversight in procurement, which can be adapted and improved by future researchers.

At an empirical level, the study contributes to the conceptualisation of a framework for strengthening the effectiveness of control and oversight measures for ethical conduct in procurement processes. The findings of the study were used to formulate recommendations for improving procurement processes, control and oversight measures. These recommendations may inform revisions to municipal policies, procurement procedures, and internal audit practices. Moreover, it is expected that the adoption of the proposed framework may significantly strengthen ethical governance in municipal procurement, fostering a culture of integrity, accountability, and public trust. The study is not only a valuable academic contribution, but also a practical tool for policymakers, municipal officials, and oversight bodies seeking to promote ethical conduct and good governance in the public procurement domain.

7.5.1 Reflecting on the scientific practices (meta science)

The data collection instruments developed for this study, specifically the interview schedules directed at demand and acquisition management, asset management and project management sections constitute the researcher's contribution to the scientific investigation of ethical conduct in public procurement processes. These instruments were grounded in the research objectives and literature review, and were carefully constructed to gather nuanced and context-specific data related to control and oversight measures for ethical conduct in procurement processes at the Raymond Mhlaba Local Municipality.

Upon critical reflection, the researcher acknowledges that these instruments could be further refined for improved clarity and methodological rigour in future applications. While the interview schedules aligned with the thematic areas identified in the literature (e.g., ethical conduct, legislative compliance, procurement challenges), certain questions may benefit from clearer phrasing or a more focused scope. For instance, although each section included a detailed literature cross-reference to support theoretical grounding, some questions, particularly the one on training and workshops for employee development could have been more operational in tone to better capture the practical implementation of employee development initiatives. For instance, while respondents provided rich information about the types of training and workshops offered by the municipality, as well as the assessment processes that follow, the current question structure may have limited their ability to elaborate on systematic evaluation practices such as how training feedback is analysed institutionally, how capacity development is monitored over time, or how training outcomes inform future development planning. In future iterations, the questions could be expanded into more focused sub-questions, probing areas such as training frequency, assessment methods, alignment with job-specific competencies and follow-up mechanisms to gauge long-term impact on individual and organisational performance. Despite these limitations, the instruments served their intended purpose by capturing diverse viewpoints and lived experiences of municipal officials involved in procurement related functions.

7.6. DIRECTIONS FOR FUTURE RESEARCH

As discussed above (cf. section 5.8), this study was conducted within the context of the Raymond Mhlaba Local Municipality, with a specific focus on procurement processes and control and oversight measures for ethical conduct. While the findings have provided valuable insights, the research was limited to the Raymond Mhlaba Local Municipality's demand and acquisition management, asset management and project management offices, which are situated exclusively in Fort Beaufort town. Future research could therefore be undertaken in other local municipalities within the Eastern Cape or across other provinces to evaluate whether similar ethical challenges and control mechanisms exist, particularly in rural or under-resourced settings. In addition, future studies could explore the role of provincial government departments, such as the Eastern Cape Provincial Treasury, in supporting and monitoring ethical procurement practices in local municipalities. Such studies may uncover systemic or policy-level interventions required to strengthen governance at the local level. By extending the geographical scope and including provincial stakeholders, future research would contribute to a more comprehensive and policy-relevant understanding of ethical governance in public sector procurement.

7.7 CHAPTER SUMMARY

Chapter seven concludes the thesis by addressing the sixth research objective of the study. In this chapter, the researcher provided a summary of the chapters in relation to the research objectives, presenting an overview of the study. The discussion included recommendations based on the findings from both the literature review and the empirical research. The chapter concludes with the presentation of the proposed conceptual framework for strengthening the effectiveness of control and oversight measures for ethical conduct in procurement processes at the Raymond Mhlaba Local Municipality. It is expected that the research, informed by both the literature and empirical results, has set a foundation for enhancing control and oversight measures for ethical conduct in procurement processes. The study's recommendations aim to support the Raymond Mhlaba local municipality and other municipalities in strengthening their control and oversight measures for ethical conduct in procurement processes to achieve improvements in transparency, accountability and fairness while

reducing risks of corruption and unethical behaviour and ensuring more efficient and responsible use of public resources.

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APPENDIX A: ETHICAL CLEARANCE OBTAINED FOR THE STUDY



College of Economic and Management Sciences_ERC Public Administration and Management

Date: 22/01/2024

Dear: Miss YOLA DOBELA

Decision: Ethics Approval from 23/01/2024 to 22/12/2026 (specify the time period relevant to the approval)

NHREC Registration # : (if applicable)

Ref #: 2135

Name: Miss YOLA DOBELA

Student #: 13875191

Staff #:

Researcher: Miss YOLA DOBELA
69 CAPE ROAD, MILL PARK
PORT ELIZABETH

13875191@mylifc.unisa.ac.za 0781018285

Supervisor: Dr Vaola Sambo Esambovt@unisa.ac.za

Co-Supervisor: Professor GEZINA FERREIRA ferregm56@gmail.com

Co-Researcher(s):

Email address:

CONTROL AND OVERSIGHT MEASURES FOR ETHICAL CONDUCT IN PROCUREMENT PROCESSES AT RAYMOND MHLABA LOCAL MUNICIPALITY

Qualification: DOCTOR OF PHILOSOPHY IN PUBLIC ADMINISTRATION

Thank you for the application for research ethics clearance by the College of Economic and Management Sciences_ERC Public Administration and Management for the above mentioned research study Ethics approval is granted for {two years }.

The **low risk application** was **reviewed** by College of Economic and Management Sciences_ERC Public Administration and Management on in compliance with the Unisa Policy on Research Ethics and the Standard Operating Procedure on Research Ethics Risk Assessment.

The proposed research may now commence with the provisions that:

1. The researcher(s) will ensure that the research project adheres to the values and principles expressed in the UNISA Policy on Research Ethics.
2. Any adverse circumstance arising in the undertaking of the research project that is relevant to the ethicality of the study should be communicated in writing to the College of Economic and Management Sciences_ERC Public Administration and Management .
3. The researcher(s) will conduct the study according to the methods and procedures set out in the approved application.
4. Any changes that can affect the study-related risks for the research participants, particularly in terms of assurances made with regards to the protection of participants' privacy and the confidentiality of the data, should be reported to the Committee in writing, accompanied by a progress report.

5. The researcher will ensure that the research project adheres to any applicable national legislation, professional codes of conduct, institutional guidelines and scientific standards relevant to the specific field of study. Adherence to the following South African legislation is important, if applicable: Protection of Personal Information Act, no 4 of 2013; Children's act no 38 of 2005 and the National Health Act, no 61 of 2003.
6. Only de-identified research data may be used for secondary research purposes in future on condition that the research objectives are similar to those of the original research. Secondary use of identifiable human research data requires additional ethics clearance.
7. No field work activities may continue after the expiry date (**22 December 2026**). Submission of a completed research ethics progress report will constitute an application for renewal, for Ethics Research Committee approval.

Additional Conditions

1. Disclosure of data to third parties is prohibited without explicit consent from Unisa.
2. De-identified data must be safely stored on password protected PCs.
3. Care should be taken by the researcher when publishing the results to protect the confidentiality and privacy of the university.
4. Adherence to the National Statement on Ethical Research and Publication practices, principle 7 referring to Social awareness, must be ensured: "Researchers and institutions must be sensitive to the potential impact of their research on society, marginal groups or individuals, and must consider these when weighing the benefits of the research against any harmful effects, with a view to minimising or avoiding the latter where possible." Unisa will not be liable for any failure to comply with this principle.

Note

The reference number 2135 should be clearly indicated on all forms of communication with the intended research participants, as well as with the Committee.

Kind regards,



Dr Promise Raseala
Chair of College of Economic and Management Sciences_ERC Public Administration and Management
E-mail: raseaps@unisa.ac.za



Executive Dean / By delegation from the Executive Dean of College of Economic and Management Sciences_ERC Public Administration and Management
E-mail: tshilmc@unisa.ac.za

APPENDIX B: REQUEST TO CONDUCT RESEARCH AT THE RAYMOND MHLABA LOCAL MUNICIPALITY



The Municipal Manager
Raymond Mhlaba Local Municipality
8 Somerset Street
Fort Beaufort
5720
23 January 2024

Dear Sir / Madam

REQUEST FOR PERMISSION TO CONDUCT RESEARCH

My name is Yola Dobela, I am a Doctoral student at UNISA. My research topic is: **Control and oversight measures for ethical conduct in procurement processes at the Raymond Mhlaba Local Municipality.** I hereby request for permission to conduct research in your municipality. In conducting this research, I have an obligation to adhere to strict ethical principles. To this end, the municipality and the respondents to this research are assured that their privacy, anonymity and confidentiality will be strictly observed and guaranteed.

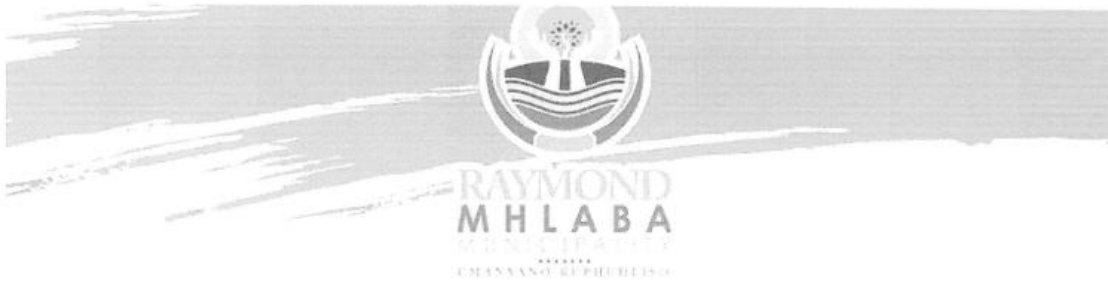
Your co-operation and assistance in this academic endeavour will be greatly appreciated.

Yours sincerely

Yola Dobela

A handwritten signature in black ink, appearing to be "Yola Dobela", is written below the typed name.

APPENDIX C: PERMISSION TO CONDUCT THE RESEARCH



Tel: 046 645 7400/7451 | Fax: 046 645 2562
8 Somerset Street Fort Beaufort, 5720 | P.O.Box 36, Fort Beaufort, 5720

ALICE
5700

Dear Ms Y Dobela

RE: PERMISSION TO CONDUCT RESEARCH IN RAYMOND MHLABA MUNICIPALITY

The municipality is in receipt of your letter of request to conduct research in Raymond Mhlaba Municipality on Control and oversight measures for ethical conduct during procurement processes: The case of Raymond Mhlaba Local Municipality, Eastern Cape Province.. This letter therefore serves to grant you permission to conduct your research. This permission is subject to the following:

1. Your research is limited the requested area of interest.
2. Research findings must be shared with the office of the municipal manager.
3. Participants should be disturbed from their work duties.

Hoping all is in order.

Yours Truly



MS. U.T. MALINZI
MUNICIPAL MANAGER

RAYMOND MHLABA MUNICIPALITY

APPENDIX D: INTERVIEW APPOINTMENTS SCHEDULE

SECTION	INTERVIEW DATE	RESPONDENT
Demand and acquisition management	12 August 2024	R1
Demand and acquisition management	12 August 2024	R2
Demand and acquisition management	12 August 2024	R3
Demand and acquisition management	13 August 2024	R4
Demand and acquisition management	13 August 2024	R5
Demand and acquisition management	13 August 2024	R6
Demand and acquisition management	14 August 2024	R7
Demand and acquisition management	14 August 2024	R8
Asset management	15 August 2024	R1
Asset management	15 August 2024	R2
Asset management	15 August 2024	R3
Asset management	16 August 2024	R4
Asset management	16 August 2024	R5
Project management	19 August 2024	R1
Project management	19 August 2024	R2
Project management	19 August 2024	R3
Project management	20 August 2024	R4
Project management	20 August 2024	R5

APPENDIX E: INTERVIEW SCHEDULE

Dear prospective participant,

You are invited to participate in a semi-structured interview conducted by Yola Dobela under the supervision of Dr. V. Sambo, a senior lecturer, in the Department of Public Administration towards a Doctor of Philosophy in Public Administration, at the University of South Africa.

You were selected to participate in this interview because the researcher anticipates that you will provide the necessary and pertinent data to address the research problem. By participating in this interview, you agree that the information you provide may be used for research purposes, including dissemination through peer-reviewed publications and conference proceedings.

It is anticipated that the information that we will gain from this study will help us in strengthening procurement procedures and control mechanisms at the Raymond Mhlaba Local Municipality. You are, however, under no obligation to participate and you can withdraw from the study prior to completing the interview. If you choose to participate in this study, it will take up no more than 1 hour of your time.

You will not benefit from your participation as an individual, however, it is envisioned that the findings of this study will assist the Raymond Mhlaba Local Municipality in improving its procurement processes and control systems. We do not foresee that you will experience any negative consequences by participating in the interview except the inconvenience of the time you have to allocate to participate in the interview. The researcher undertakes to keep any information provided herein confidential, not to let it out of our possession and to report on the findings by highlighting themes emerging from all participants, using pseudonyms where individual perspectives are presented, while ensuring that no real identities are disclosed.

The interview will be recorded on a voice recorder. The records will be kept for five years for audit purposes where after it will be permanently deleted, hard copies will be shredded and electronic versions will be permanently deleted. You will not be

reimbursed or receive any incentives for your participation in the interview. Deidentified data from the study may be shared on repositories such as that of UNISA and the National Research Foundation for future research.

The research has been reviewed and approved by the CEMS Research Ethics Review Committee. The primary researcher, Yola Dobela, can be contacted during office hours at 0781018285. Should you have any questions regarding the ethical aspects of the study, you can contact the chairperson of the CEMS Research Ethics Review Committee, Dr V Sambo 012 429 4355. Alternatively, you can report any serious unethical behaviour at the University's Toll Free Hotline 0800 86 96 93.

**INTERVIEW SCHEDULE FOR DEMAND AND ACQUISITION MANAGEMENT
SECTION**

UNIVERSITY OF SOUTH AFRICA

COLLEGE OF ECONOMIC AND MANAGEMENT SCIENCES

QUALIFICATION:

DOCTOR OF PHILOSOPHY IN PUBLIC ADMINISTRATION

YEAR: 2024

INTERVIEW SCHEDULE FOR RESEARCH TITLED:

**CONTROL AND OVERSIGHT MEASURES FOR ETHICAL CONDUCT IN
PROCUREMENT PROCESSES AT THE RAYMOND MHLABA LOCAL
MUNICIPALITY**

PERSONAL DETAILS

SURNAME: DOBELA

NAMES: YOLA COLLEEN

CONTACT DETAILS

CELL: NUMBER: 0781018285

E-MAIL ADDRESS: 13875191@mylife.unisa.ac.za

SUPERVISOR:

Dr V. Sambo

Co-Supervisor:

Prof GM Ferreira

I am a PhD candidate at the University of South Africa (UNISA), College of Economic and Management Science, and as a part of my studies, I am collecting data, through various methods which include interviews. The design and methods of my study are detailed in the table below. My research is conducted under the supervision of Dr V. Sambo of the Department of Public Administration at UNISA.

Methodology	Qualitative approach
Method: Data collection	Interviews
Method: Data collection	Document analysis
Method: Data analysis	Thematic analysis
Method: Data analysis	Document analysis

The objectives of my study are as follows, to:

1. Review literature on control measures for ethical conduct in the public sector; procurement processes in the public sector; challenges faced by the South African public sector when procuring goods and services.
2. Reflect on available literature on theories of ethics in the public sector.
3. Examine relevant legislative and regulatory framework guiding procurement processes in the South African public sector.
4. Determine the most appropriate research methodology to answer the research questions.
5. Analyse, interpret and present the collected data through interviews and document analysis.
6. Summarise the study and draw conclusions based on the study's findings; to recommend what the Raymond Mhlaba Local Municipality should do to improve control and oversight measures for ethical conduct in procurement processes.

The study has great potential in promoting good governance, improving service delivery and accountability for the use of public funds. With regard to ethical issues (cf. attached informed consent letter) guiding the study, the researcher pledges strict adherence to ethical conduct as it applies to academic research projects in higher

education institutions in South Africa. This means that:

- Respondents are not required to disclose their identity;
- The information collected from the respondents will be used for purposes of this research only;
- The respondents in this study are not in any way going to be appraised, demoted or promoted on the basis of their participation in this research; and
- Respondents have the right to participate and withdraw their participation in the study at any time.

SECTION A- BIOGRAPHICAL INFORMATION

Please remember that your name will remain anonymous and the information provided by you in this section will also remain confidential and anonymous and will only be used for the purpose of this research only.

1. INDICATE YOUR YEARS OF SERVICE AT THE RAYMOND MHLABA LOCAL MUNICIPALITY

1	0-5	
2	6-10	
3	10+	

2. WHAT IS YOUR TITLE/POSITION? E.g. DEMAND AND ACQUISITION MANAGEMENT OFFICER

1	
---	--

SECTION B

GUIDELINES TO PARTICIPANTS:

This research aims to understand Raymond Mhlaba Local Municipality's procurement processes in detail, based on your responses. The researcher estimates that it will take **1 hour** of your time to take part in the interview. There is no **RIGHT** or **WRONG** answer and your honest, **anonymous** opinion will be appreciated. The researcher is **NOT** asking about anything that you or any other Raymond Mhlaba local municipality

personnel have done— she is merely seeking your **PERSONAL PERCEPTION/VIEW/UNDERSTANDING.**

Section 1-Questions in this section aim to understand control and oversight measures for ethical conduct at the Raymond Mhlaba Local Municipality.

PLEASE PROVIDE YOUR PERSONAL PERCEPTION/VIEW/UNDERSTANDING PERTAINING TO CONTROL AND OVERSIGHT MEASURES FOR ETHICAL CONDUCT AT THE RAYMOND MHLABA LOCAL MUNICIPALITY.

Section 1: Control and oversight measures for ethical conduct

Question 1: Does the Raymond Mhlaba Local Municipality promote an ethical culture? If so, how does the Raymond Mhlaba Local Municipality do this? (An ethical culture according to Musiyarira (2020:49) encourages employees to act in a way that is right and proper while performing their public duties.)

Literature review: cf. section 2.7: Ethical conduct in the public service.

Response:

Question 2: Which control measures are in place at the Raymond Mhlaba Local Municipality for procurement processes?

Literature review: cf. section 2.3: Control measures for ethical conduct in the public sector.

Response:

Question 3: Does the Raymond Mhlaba Local Municipality investigate institutional unethical occurrences such as fraud and corruption in procurement processes? If so, how is this done?

Literature review: cf. section 2.9.2: Fraud and corruption.

Response:

Question 4: In your view, what could be the root causes of unethical behaviour in procurement processes at the Raymond Mhlaba Local Municipality?

Literature review: cf. section 2.9: Ethical issues during procurement processes.

Response:

Question 5: Are there strategies in place to curb unethical behaviour in procurement processes at the Raymond Mhlaba Local Municipality?

Literature review: cf. section 2.10: Measures to ensure ethical conduct.

Response:

Section 2: Procurement processes

Question 1: How does the Raymond Mhlaba Local Municipality procure its goods and services?

Literature review: cf. section 2.5: Procurement processes in the public sector.

Response:

Question 2: In what way have the new specific goals implemented (historically disadvantaged individuals; women; youth; disability; military veterans; locality) empowered service providers?

Literature review: cf. section 2.5.1.4: Assessment and evaluation of tender documents.

Response:

Question 3: Does the Raymond Mhlaba Local Municipality follow the Preferential Procurement Policy Framework Act, 5 of 2000 (PPPFA) when procuring goods and services?

Literature review: cf. section 2.5.1.4: Assessment and evaluation of tender documents.

Response:

Question 4: Are there challenges in the implementation of the PPPFA in the Raymond Mhlaba Local Municipality? If there are, how are they being addressed?

Literature review: cf. section 4: Legislative and regulatory framework that guides procurement processes in the South African public sector.

Response:

Question 5: Does the Raymond Mhlaba Local Municipality follow the Broad-Based Black Economic Empowerment Act, 53 of 2003 (B-BBEEA) when procuring goods and services?

Literature review: cf. section 4: Legislative and regulatory framework that guides procurement processes in the South African public sector.

Response:

Question 6: Are there challenges in the implementation of the B-BBEEA in the Raymond Mhlaba Local Municipality? If there are, how are they being addressed?

Literature review: cf. section 4: Legislative and regulatory framework that guides procurement processes in the South African public sector.

Response:

Question 7: Does the Raymond Mhlaba Local Municipality follow National Treasury Regulations when procuring goods and services?

Literature review: cf. section 4: Legislative and regulatory framework that guides procurement processes in the South African public sector.

Response:

Question 8: Are there challenges in the implementation of National Treasury Regulations? If there are, how are they being addressed?

Literature review: cf. section 4: Legislative and regulatory framework that guides procurement processes in the South African public sector.

Response:

Question 9: Does the Raymond Mhlaba Local Municipality provide training and workshops for employee development? If so, what type of training and workshops are provided to employees?

Literature review: cf. section 2.6.1: Lack of knowledge, skills and capacity.

Response:

Question 10: Are training assessments done to assess if the training and workshops provided to employees have proven to be effective?

Literature review: cf. section 2.6.1: Lack of knowledge, skills and capacity.

Response:

Question 11: What challenges do you face in procurement processes?

Literature review: cf. section 2.6: Challenges faced by the South African public sector

when procuring goods and services.

Response:

INTERVIEW SCHEDULE FOR ASSET MANAGEMENT SECTION

UNIVERSITY OF SOUTH AFRICA

COLLEGE OF ECONOMIC AND MANAGEMENT SCIENCES

QUALIFICATION:

DOCTOR OF PHILOSOPHY IN PUBLIC ADMINISTRATION

YEAR: 2024

INTERVIEW SCHEDULE FOR RESEARCH TITLED:

**CONTROL AND OVERSIGHT MEASURES FOR ETHICAL CONDUCT IN
PROCUREMENT PROCESSES AT RAYMOND MHLABA LOCAL MUNICIPALITY**

PERSONAL DETAILS

SURNAME: DOBELA

NAMES: YOLA COLLEEN

CONTACT DETAILS

CELL: NUMBER: 0781018285

E-MAIL ADDRESS: 13875191@mylife.unisa.ac.za

SUPERVISOR:

Dr V. Sambo

Co-Supervisor:

Prof GM Ferreira

I am a PhD candidate at the University of South Africa (UNISA), College of Economic and Management Science, and as a part of my studies, I am collecting data, through various methods which include interviews. The design and methods of my study are detailed in the table below. My research is conducted under the supervision of Dr V. Sambo of the Department of Public Administration at UNISA.

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2. Reflect on available literature on theories of ethics in the public sector.
3. Examine relevant legislative and regulatory framework guiding procurement processes in the South African public sector.
4. Determine the most appropriate research methodology to answer the research questions.
5. Analyse, interpret and present the collected data through interviews and document analysis.
6. To summarise the study and draw conclusions based on the study's findings; to recommend what the Raymond Mhlaba Local Municipality should do to improve control and oversight measures for ethical conduct in procurement processes.

The study has potential in promoting good governance, improving service delivery and accountability for the use of public funds. With regard to ethical issues (cf. attached informed consent letter) guiding the study, the researcher pledges strict adherence to ethical conduct as it applies to academic research projects in higher education

institutions in South Africa. This means that:

- Respondents are not required to disclose their identity;
- The information collected from the respondents will be used for purposes of this research only;
- The respondents in this study are not in any way going to be appraised, demoted or promoted on the basis of their participation in this research; and
- Respondents have the right to participate and withdraw their participation in the study at any time.

SECTION A- BIOGRAPHICAL INFORMATION

Please remember that your name will remain anonymous and the information provided by you in this section will also remain confidential and anonymous and will only be used for the purpose of this research only.

1. INDICATE YOUR YEARS OF SERVICE AT THE RAYMOND MHLABA LOCAL MUNICIPALITY

1	0-5	
2	6-10	
3	10+	

2. WHAT IS YOUR TITLE/POSITION? E.g. ASSET MANAGEMENT OFFICER

1	
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SECTION B

GUIDELINES TO PARTICIPANTS:

This research aims to understand the Raymond Mhlaba Local Municipality's procurement processes in detail, based on your responses. The researcher estimates that it will take **1 hour** of your time to take part in the interview. There is no **RIGHT** or **WRONG** answer and your honest, **anonymous** opinion will be appreciated. The

researcher is **NOT** asking about anything that you or any other Raymond Mhlaba local municipality personnel have done— she is merely seeking your **PERSONAL PERCEPTION/VIEW/UNDERSTANDING.**

Section 1-Questions in this section aim to understand control and oversight measures for ethical conduct at the Raymond Mhlaba Local Municipality.

PLEASE PROVIDE YOUR PERSONAL PERCEPTION/VIEW/UNDERSTANDING PERTAINING TO CONTROL AND OVERSIGHT MEASURES FOR ETHICAL CONDUCT AT THE RAYMOND MHLABA LOCAL MUNICIPALITY.

Section 1: Control and oversight measures for ethical conduct

Question 1: Does the Raymond Mhlaba Local Municipality promote an ethical culture? If so, how does the Raymond Mhlaba Local Municipality do this? (An ethical culture according to Musiyarira (2020:49) encourages employees to act in a way that is right and proper while performing their duties).

Literature review: cf. section 2.7: Ethical conduct in the public service.

Response:

Question 2: Which control measures are in place at the Raymond Mhlaba Local Municipality for procurement processes?

Literature review: cf. section 2.3: Control measures for ethical conduct in the public sector.

Response:

Question 3: Does the Raymond Mhlaba Local Municipality investigate institutional unethical occurrences such as fraud and corruption in procurement processes? If so, how is this done?

Literature review: cf. section 2.9.2: Fraud and corruption.

Response:

Question 4: In your view, what could be the root causes of unethical behaviour in procurement processes at the Raymond Mhlaba Local Municipality?

Literature review: cf. section 2.9: Ethical issues during procurement processes

Response:

Question 5: Are there strategies in place to curb unethical behaviour in procurement processes in the Raymond Mhlaba Local Municipality?

Literature review: cf. section 2.10: Measures to ensure ethical conduct.

Response:

Section 2: Procurement processes

Question 1: How does the Raymond Mhlaba Local Municipality procure its assets?

Literature review: cf. section 2.5: Procurement processes in the public sector.

Response:

Question 2: How often does the Raymond Mhlaba Local Municipality maintain and service its assets?

Literature review: cf. section 2.3.1: Internal Control.

Response:

Question 3: Does the Raymond Mhlaba Local Municipality dispose its assets when they are unserviceable, redundant, damaged and obsolete? If so, how is the asset disposal process carried out at Raymond Mhlaba Local Municipality?

Literature review: cf. section 2.3.1: Internal control.

Response:

Question 4: Which control measures are in place at the Raymond Mhlaba Local Municipality in safeguarding the municipality's assets?

Literature review: cf. section 2.3.1: Internal control.

Response:

Question 5: Does the Raymond Mhlaba Local Municipality investigate when there are instances of lost assets? If so, how is the loss control procedure conducted?

Literature review: cf. section 2.3.1: Internal control.

Response:

Question 6: Does the Raymond Mhlaba Local Municipality provide training and workshops to its employees? If so, what types of training and workshops are provided to employees?

Literature review: cf. section 2.6.1: Lack of knowledge, skills and capacity.

Response:

Question 7: Are training assessments done to assess if the training and workshops provided to employees have proven to be effective?

Literature review: cf. section 2.6.1: Lack of knowledge, skills and capacity.

Response:

Question 8: What challenges do you face in the procurement of the municipality's assets?

Literature review: cf. section 2.6: Challenges faced by the South African public sector when procuring goods and services.

Response:

INTERVIEW SCHEDULE FOR PROJECT MANAGEMENT SECTION

UNIVERSITY OF SOUTH AFRICA

COLLEGE OF ECONOMIC AND MANAGEMENT SCIENCES

QUALIFICATION:

DOCTOR OF PHILOSOPHY IN PUBLIC ADMINISTRATION

YEAR: 2024

INTERVIEW SCHEDULE FOR RESEARCH TITLED:

**CONTROL AND OVERSIGHT MEASURES FOR ETHICAL CONDUCT IN
PROCUREMENT PROCESSES AT RAYMOND MHLABA LOCAL MUNICIPALITY**

PERSONAL DETAILS

SURNAME: DOBELA

NAMES: YOLA COLLEEN

CONTACT DETAILS

CELL: NUMBER: 0781018285

E-MAIL ADDRESS: 13875191@mylife.unisa.ac.za

SUPERVISOR:

Dr V. Sambo

Co-Supervisor:

Prof GM Ferreira

I am a PhD candidate at the University of South Africa (UNISA), College of Economic and Management Science, and as a part of my studies, I am collecting data, through various methods which include interviews. The design and methods of my study are detailed in the table below. My research is conducted under the supervision of Dr V. Sambo of the Department of Public Administration at UNISA.

Methodology	Qualitative approach
Method: Data collection	Interviews
Method: Data collection	Document analysis
Method: Data analysis	Thematic analysis
Method: Data analysis	Document analysis

The objectives of my study are as follows, to:

1. Review literature on control measures for ethical conduct in the public sector; procurement processes in the public sector; challenges faced by the South African public sector when procuring goods and services.
2. Reflect on available literature on theories of ethics in the public sector.
3. Examine relevant legislative and regulatory framework guiding procurement processes in the South African public sector.
4. Determine the most appropriate research methodology to answer the research questions.
5. Analyse, interpret and present the collected data through interviews and document analysis.
6. Summarise the study and draw conclusions based on the study's findings; to recommend what the Raymond Mhlaba local municipality should do to improve control and oversight measures for ethical conduct in procurement processes.

The study has great potential in promoting good governance, improving service delivery and accountability for the use of public funds. With regard to ethical issues (cf. attached informed consent letter) guiding the study, the researcher pledges strict adherence to ethical conduct as it applies to academic research projects in higher education institutions in South Africa. This means that:

- Respondents are not required to disclose their identity;
- The information collected from the respondents will be used for purposes of this research only;
- The respondents in this study are not in any way going to be appraised, demoted or promoted on the basis of their participation in this research; and
- Respondents have the right to participate and withdraw their participation in the study at any time.

SECTION A- BIOGRAPHICAL INFORMATION

Please remember that your name will remain anonymous and the information provided by you in this section will also remain confidential and anonymous and will only be used for the purpose of this research only.

1. INDICATE YOUR YEARS OF SERVICE AT THE RAYMOND MHLABA LOCAL MUNICIPALITY

1	0-5	
2	6-10	
3	10+	

2. WHAT IS YOUR TITLE/POSITION? E.g. PROJECT MANAGEMENT OFFICER

1	
---	--

SECTION B

GUIDELINES TO PARTICIPANTS:

This research aims to understand the Raymond Mhlaba Local Municipality's procurement processes in detail, based on your responses. The researcher estimates that it will take **1 hour** of your time to take part in the interview. There is no **RIGHT** or **WRONG** answer, and your honest, **anonymous** opinion will be appreciated. The researcher is **NOT** asking about anything that you or any other Raymond Mhlaba Local Municipality personnel have done— she is merely seeking your **PERSONAL PERCEPTION/VIEW/UNDERSTANDING.**

Section 1-Questions in this section aim to understand control and oversight measures for ethical conduct in Raymond Mhlaba Local Municipality.

PLEASE PROVIDE YOUR PERSONAL PERCEPTION/VIEW/UNDERSTANDING PERTAINING TO CONTROL AND OVERSIGHT MEASURES FOR ETHICAL CONDUCT AT RAYMOND MHLABA LOCAL MUNICIPALITY.

Section 1: Control and oversight measures for ethical conduct

Question 1: Does the Raymond Mhlaba Local Municipality promote an ethical culture? If so, how does the Raymond Mhlaba Local Municipality do this? (An ethical culture according to Musiyarira (2020:49) encourages employees to act in a way that is right and proper while performing their public duties.)

Literature review: cf. section 2.7: Ethical conduct in the public service.

Response:

Question 2: Which control measures are in place at the Raymond Mhlaba Local Municipality for procurement processes?

Literature review: cf. section 2.3: Control measures for ethical conduct in the public sector.

Response:

Question 3: Does the Raymond Mhlaba Local Municipality investigate institutional unethical occurrences such as fraud and corruption in procurement processes? If so, how is this done?

Literature review: cf. section 2.9.2: Fraud and corruption.

Response:

Question 4: In your view, what could be the root causes of unethical behaviour in procurement processes in the Raymond Mhlaba Local Municipality?

Literature review: cf. section 2.9: Ethical issues during procurement processes.

Response:

Question 5: Are there strategies in place in the Raymond Mhlaba Local Municipality to curb unethical behaviour in procurement processes?

Literature review: cf. section 2.10: Measures to ensure ethical conduct.

Response:

Section 2: Procurement processes

Question 1: What is the role of the project management section in the procurement of goods and services at the Raymond Mhlaba Local Municipality?

Literature review: cf. section 2.5: Procurement processes in the public sector.

Response:

Question 2: How often are the projects done by contractors monitored in the Raymond Mhlaba Local Municipality?

Literature review: cf. section 2.6.4: Poor contract management.

Response:

Question 3: Has the Raymond Mhlaba Local Municipality ever utilised new contractors without experience in a project? If so, how have they performed?

Literature review: cf. section 2.6.4: Poor contract management.

Response:

Question 4: Has the Raymond Mhlaba Local Municipality ever experienced underperforming contractors? If so, have they ever been utilised again/how was the underperformance addressed?

Literature review: cf. section 2.6.4: Poor contract management.

Response:

Question 5: Does the Raymond Mhlaba Local Municipality provide training and workshops for employee development? If so, what type of training and workshops are provided to employees?

Literature review: cf. section 2.6.1: Lack of knowledge, skills and capacity.

Response:

Question 6: Are training assessments done to assess if the training and workshops provided to employees have proven to be effective?

Literature review: cf. section 2.6.1: Lack of knowledge, skills and capacity.

Response:

Question 7: What challenges do you face in project management in the Raymond Mhlaba Local Municipality?

Literature review: cf. section 2.6: Challenges faced by the South African public sector when procuring goods and services.

Response:

APPENDIX F: CERTIFICATE OF THESIS EDITING



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✉: APOSTROPHEBYSM@GMAIL.COM

CERTIFICATE OF PROFESSIONAL EDITING

This document certifies that the dissertation indicated below has been edited for grammar, spelling, clarity, sentence structure, logical sequencing and scholarly writing style.

Dissertation *Title:*

CONTROL AND OVERSIGHT MEASURES FOR
ETHICAL CONDUCT IN PROCUREMENT PROCESSES
AT THE RAYMOND MHLABA LOCAL MUNICIPALITY

Submitted by:
Y.C. Dobela

Involvement on document supplied was restricted to language use, grammar spelling, completeness & consistency. No structural re-writing of the content was done and the academic content was not influenced in any way and reference list not included. Author was given edited document to review and implement changes.

Editor
Slindoh Mthimkhulu

Date: 26 June 2025

AAPES: A member of the Professional Editors Guild