



**Welcome Address by the Mayor, Cllr Zandile Gumede,
On the Occasion of the Combatting Fraud and Corruption Seminar**

**15 November 2017 – 08h00
DURBAN EXHIBITION CENTRE**

Programme Directors, Ms Tozi Mthethwa and DCM Siphon Cele

Executive committee members,

Fellow councillors,

City Manager, Siphon Nzuza

Deputy City Managers present,

Chief Executive Officer of the ACFE, Mr Jaco De Jager

President of the Durban Chamber of Commerce and Industry, Mr Musa Makhunga

Mbuso Ngcobo, Head of City Integrity and Investigation Unit and other Heads present

- Presenters,
- Stakeholders and sponsors,
- Government officials representing various Departments,
- Distinguished guests,
- Ladies and gentlemen,
- All protocol observed,

I would like to welcome all of you to this important seminar on Combatting Fraud and Corruption. EThekweni Municipality is pleased to host you as partners to the ACFE as we commemorate International Fraud Awareness Week, celebrated globally in November.

This important week aims to minimize the impact of fraud by promoting anti-fraud awareness and education campaign.

Rampant fraud and corruption has been identified as a significant risk that threatens the sustainability of public resources and service delivery. It is among the most serious obstacles to governance, economic and social development.

During our elections campaign in 2014 and 2016, we encouraged all people to be active in the affairs of the country and join the ANC in building better communities where all people enjoy political freedom, have access to basic services and contribute to uniting the country and its people. We called on all citizens to work with us in order: **“Intensify the fight against fraud and corruption in local government and social fabric crimes in communities.”**

It is therefore important that we ensure effective implementation of strategies to fight against fraud and corruption if we are to achieve our vision of being Africa’s most caring and liveable City.

In the Integrated Development Plan, our Municipality has deliberately focused on steering the organisation on a path of compliance and rooting out fraud and corruption.

eThekwini Municipality has recognised that fraud and corruption undermines the value, vision and mission of our Municipality. Hence the City Integrity and Investigations Unit (CIU) was established. The purpose of the Unit is solely intended to tackle the fraud, corruption and maladministration that hamper the service delivery within the Municipality. The city would like to promote integrity, equality, fairness and accountability in all its dealings.

The CIU receives allegations and complaints relating to fraud, corruption and maladministration directly from the complainants and whistle-blowers. We urge the public together with Municipal officials to report any suspicions of fraud, corruption and maladministration to the CIU. This Unit assists in ensuring that fraud and corruption is rooted out within eThekwini Municipality.

Let me highlight some of the achievements since my term of office:

1. One person was arrested in the South of Durban for illegal sale of low cost houses and is currently out on bail but continues doing the same at Cornubia and the law enforcement is still searching for him.
2. Two of our officials were arrested for a scam in which they were selling jobs and are currently out on bail.
3. Two individuals who had submitted fraudulent payslips into a car dealership were apprehended when taking delivery of the vehicles.
4. One person was apprehended for illegally issuing proof of residence.
5. 20 of cases have since been opened with the SAPS.
6. Through the continuous outreach programmes we have managed to create awareness and encourage people to report fraud and corruption where ever they see it.

The eThekweni Municipality through its Fraud and Anti-Corruption Policy, aims to build an ethical and corrupt-free municipality.

Institutional mechanisms such as the City Integrity and Investigation Unit, the Municipal Public Accounts Committee (MPAC), The Ethics committee, and an independent Audit Committee are in place to provide oversight of financial management and integrity of the municipality. Legislation such as the Municipal Finance Management Act (MFMA) also applies and provides guidance.

The eThekweni Municipality was the first to establish a Disciplinary Board which deals with cases pertaining to financial misconduct and brings officials to book. The Disciplinary Board aims to effectively and promptly curb fraudulent activities, corruption and maladministration within the city.

The City has also established a Black Listing Committee that is responsible for investigating and making recommendations to council on the blacklisting of service providers who are seen to be underhanded in their business dealings. Once black listed, the impact is immense, as it prevents you from doing business with any organ of the state in future.

We are committed to a zero-tolerance approach to fraud, corruption and maladministration. We are serious about running a clean Municipality and therefore, we treat all allegations pertaining to fraud, corruption and maladministration as a priority.

We envisage being the most vigilant and effective anti-fraud and corruption Municipality in South Africa. Fraud and corruption steals and deprives our peoples of much-needed quality services and it undermines the integrity of our Municipality.

Fraud is not a cold crime, but people suffer from the actions of fraudsters. In the public sector, the impact of fraud and corruption is felt by citizens and business as it increases the cost of revenue and impacts on service delivery. It decreases the confidence in the public service and impacts on the reputation of the organisation. The image of the whole organisation gets tarnished by the wrong doing of a few individuals.

I therefore call on the business sector, to promote ethical behaviour in their dealings with the City. Do not fall into the trap of fraudulent and corrupt behaviour as there are serious consequences when you get caught.

Corruption robs us all therefore we need to double our efforts to win the war against fraud and corruption because it is also part of the war on poverty. Please report any incidence of fraud, corruption, maladministration and human right violations to 0800 20 20 20.

I therefore take this opportunity to wish you all a very successful and fruitful Seminar.

MASILWE NENKOHLAKALO KUMASIPALA WETHU.