CLOSING THE DOOR TO MISUSE OF MUNICIPAL RESOURCES FOR ENHANCING COMMUNICATION AND INFORMATION DEVICES AND SERVICES

Lucas Tshibalo
Johannesburg Metropolitan Municipality
REPUBLIC OF SOUTH AFRICA

ABSTRACT

This paper concentrates in the norms and standards for using municipal resources. Managing resources forms part of internal procedures. Municipal resources comprise anything which is paid for, owned or controlled by a council. Resources include: staff time; materials and supplies; facilities; motor vehicles; fuel, spare parts and accessories; general plant and equipment; office equipment; communication and information devices and services (such as phones, computer equipment, and internet and emails services). The paper specifically analyses the strategies implemented for upholding municipal employees when using the communication and information devices and services resources. Many of the local government related matters often address the blatant criminal acts such as theft, bribes, fraud in various forms, and manipulation of tendering processes. The misuse of communication and information devices and services resources may seem to be more subtle in nature. Yet, a municipal council remains vulnerable to resource misuse which often leads to significant direct loss to councils and gains to individuals and corporate bodies. Such conduct is unacceptable as it cheats the community whilst paying too much for the quantum and quality of services it is receiving. No organisation is immune to the opportunistic behaviour of an ill motivated employee. Management has an obligation to define the rules that apply to staff so that they have unequivocal reference points when it comes to behaviour, decision making and choices. Similarly, policies must be complemented by appropriate procedures in order to determine the attitudes, behaviour and ethical standards of the leaders of an organisation. Policies and procedures are certainly required to promote the organisational culture for upholding acceptable behaviour and to mitigate risks. In this paper the author set out to do three things: the economic impact of resources misuse; to assess the policies; procedures and information and compliance mechanism instigated in regard to resource misuse; and seeks to recommend the methods that can be applied to curtail the dilemmas often encountered by municipal councils. The outcomes of this paper is realised by means of a qualitative analysis and is supported by interviews and a visit to the Metropolitan Cities in South Africa.

INTRODUCTION

This paper examined the norms and standards of using municipal resources in line with Municipal Finance Management Act, more specifically on internal control procedures. This paper examined the internal control procedures for Metropolitan Municipalities in South Africa. The Municipal resources referred to are amongst others staff time, materials and supplies, facilities, motor vehicles, fuel, spare parts and accessories, general plant and phones, computer equipment, office equipment and others. The Municipal resources above are allocated aimed at improving service delivery at the Municipal level.

They are regarded as enabling tools to ensure that services are not affected. According to UMzimkhulu Municipality (UM), majority of Municipalities are spending a lot of money on

the above mentioned resources. Municipal resources like telephone calls are one of the major expenses of the Municipalities and it reduces low productivity resulting from misuse of these resources (UM). Municipalities developed policies and procedures to control the misuse of municipal resources however less is done in ensuring effective and efficient implementation of the policies and procedures. Whilst a lot of academic research studies have been conducted, such studies focused mainly on mismanagement of funds due to theft, corruption, colluding during tender and maladministration and less focus on the misuse of municipal resources by employees. Municipalities tend to ignore the misuse of resources by employees that its impact on service delivery is huge. Based on the above, the author's intension was to analyse economic impact of resources misuse in assessing its control measures in place. A brief outline of the Municipal resources is discussed in this paper. Sections below examined internal control measures for municipal resources. For the purpose of the study, the author examined control measures for Metropolitan Municipalities in South Africa.

METHODOLOGICAL APPROACH

This research was mainly qualitative in nature. In this regard, secondary data collection instrument was a literature review in the context of municipal resources and resources provision. In using this instrument, scholarly books, thesis/dissertations, articles, were considered. Government/Municipal reports, policy framework and interviews carried out by means of structured questionnaires were part of a primary data collection instrument (Welman et al, 2001: 14).

LITERATURE REVIEW

Background and Conceptual Framework for Municipal Resources

Municipal resources comprise anything which is paid for, owned or controlled by a council. Resources include: staff time; materials and supplies; facilities; motor vehicles; fuel, spare parts and accessories; general plant and equipment; office equipment; communication and information devices and services (such as phones, computer equipment, and internet and emails services). Most organizations spend between 1 to 3% of their budgets on municipal resources and pay little attention on the overall cost of municipal resources (Metropolitan Municipalities in South Africa, 2018). Municipalities are unable to account accurately on the total cost of ownership of their existing municipal resources and it is for this reason that a control measures are devised to realise cost reduction associated with misuse of municipal resources (Metropolitan Municipalities in South Africa, 2018).

The South African Constitution, 1996 enshrines the right of everyone to have access to basic services. The Constitution makes it incumbent upon the State employees to take reasonable measures to control municipal resources that are aimed at improving service delivery. National Treasury Instruction 1 of 2013: Cost Containment Measures is aimed at reducing misuse of government resources. Municipal Finance Management Act and National Treasury also aimed at assisting municipal employees on how best to spend budget on resources and management thereof. Municipalities also developed internal policies and procedures intended to assist managers at all levels to control misuse of municipal resources.

Current Municipal Resources usage in the Metropolitan Municipalities in South Africa

The vision of the Cities of Johannesburg Metropolitan Municipality is to be "World class African Cities" in delivering effective, affordable and sustainable quality services to its communities (Metropolitan Municipalities in South Africa, 2018). The idea of achieving the vision will hampered if municipal resources are not managed properly. It is for the above

reason that the research will be focusing on analysing control measures in place in managing the misuse of municipal resources.

Challenges experienced in managing Municipal Resources
National Treasury in 2013 implemented National Treasury Instruction 1 of 2013 to reduce alarming expenditure on resources in the government sector (National Treasury, 2013). In addition, municipalities also developed policies and procedures to assist in managing the resources. The relevant policies, procedures and mechanisms were developed by various municipalities in addressing misuse of municipal resources. Metropolitan Municipalities in South Africa was chosen as an example for this research. The following relevant policies were developed by the Cities to address misuse of municipal resources and will be used as basis for this research;

- Private calls are not accounted for and therefore telephone policy was developed to hold employees accountable in terms of private calls and setting limits of calls made.
- Misuse of transport lead to the development of transport policy to curb fraudulent kilometre travelled and track of official trips.
- Misuse of printing device by printing private matters lead to the development of the policy to control and detect misuse of printers for private purpose.
- Misuse of travelling allowance lead to development of locomotion allowance policy to cap travelling allowance in line with volume of work and responsibilities.
- IT policy was developed to control internet use in order to detent misuse and prevent employees spent more time serving the net than being productive in rendering services to community.
- Record Management Policy was developed to reduce duplicate printing and promoting electronic record management system to limit printing every document and promote instant access of documents everywhere electronically; and
- Management of store material procedures to control issuing of stock in order to prevent theft and loss.

RESULTS
Telephone Policy
Telephone policy provides guidelines on the management of cellular and telephones (Maruleng, 2013). In addition, telephone policy provide guidance on the use of mobile and desk telephones, circumstances and conditions for personal use and requirements for review and approval of invoices (Massey University, 2007)

According to University of South Africa (UNISA) Policy on private telephone and cell phone calls, the regulation and management of the telephone facility is the prerogative of management (UNISA, 2013). Furthermore the policy states that control measures have to be implemented to detect misuse. UNISA is using pin code system, payment procedures and disciplinary procedures in dealing with misuse of telephones and cell phones for private use. The above is supported by Intsika Yethu Municipality and Imzimkhulu Municipality who uses call limits, accounts, barring of telephones and none compliance measures to deal with misuse of telephones.

The telephone usage policy seeks to provide a framework aimed at ensuring that telephones as a working tool is used appropriately and that calls charges are kept to a minimum (Molemole, 2013). Molemole Municipality like other municipality uses pin codes, direct lines, switchboard, private calls limit and call restrictions as measures to control misuse of telephones (Molemole, 2013). It has been revealed that telephone calls are one of the major

expenses of the UMzimkhulu Municipality.   This is mainly due to the high number of calls made, be they "private" or "official".   This is notwithstanding the fact that Council is re-establishing itself and, as such, populating its organogram with new appointments.   Council will at all times strive to keep telephone expenditure within limits, as well as to reduce low productivity resulting from private calls to a minimum hence policy implementation (UM, 2013).

The purpose of the policy is to ensure the effective and efficient use of Municipal telephones, to curb the abuse of Municipal telephones by employees of the Council, to reduce telephone costs, to prevent the use of Municipal telephones by unauthorized persons and to introduce corrective measures for officials who fail to observe the guidelines stipulated in the policy (UM, 2013).

The purpose of the Policy Framework is to provide guidelines on the management and regulation of cellular phones, data cards and fixed telephones, to provide guidelines on the acquisition and use of cellular phones, data cards, and fixed telephone lines by employees and Councillors, to provide a fair criteria for the allocation of cellular phone reimbursement for employees, to ensure effective utilization of resources, to contribute towards creating a more communicative enabling working environment which is able to respond to the rapid technological developments, and that optimizes service delivery (Metropolitan Municipalities in South Africa, 2018).

The study found out that employees are aware of the draft policy in place; however they are complying with the policy, however there are escalations of cost associated with telephone usage. Officials are reported spending time on private calls versus business orientated calls. There are no measures in place to prevent unauthorised persons using Municipal telephones as there is no pin code system implemented. Officials are not paying calls made. Calls are being barred as and when the manager decides. There is direct line measure in place however it is not limited to particular rank of employees. Switchboard is used mostly to receive calls from outside. There is no private calls limit. There is call restriction as one cannot phone outside the Province and international numbers without being connected by the switchboard. Municipal also do soft lock and set out monthly limit on cell phones usage. However, there are no control measures to control accounts to recover expenditure incurred on private calls. Without approved policy, implementation of control measures becomes a challenge.

The value of the contracts is around R95 million allocated for a 3 year period in each three Metropolitan Municipalities in South Africa used for this article, it is important that utilisation of telephones and cell phones should be minimize to avoid overspending before end of the contract.

Transport Policy

The transport policy was developed to control usage of municipal owned vehicle by employees of municipality when performing official duties (Metropolitan Municipalities in South Africa, 2018). The policy was developed to detect misuse of municipal owned vehicles and as well as prevention of over expenditure due to accidents caused and rental fees on kilometres travelled. The study found that municipal owned vehicles are being misused, accidents are taking place, trips taken are not accounted for and vehicles are found parked in areas not approved in the trip authority. In addition to the above challenges, millions of rand are spent on accidents and kilometres travelled on trip not approved. The policy above is still

a draft and enforcing the draft policy which is not yet approved possess legal implications hence none compliance.

Printing Devices Policy
A print device is a hardware device used for printing (Microsoft.com, 2018). The management and regulation of the procurement and usage of digital photocopiers/printers is the prerogative of line management assisted and guided by the Administration and Support Directorate (Metropolitan Municipalities in South Africa, 2018). Most organizations spend between 1 to 3% of their budgets on printing and pay little attention on the overall cost of printing and the Cities is no exception (Metropolitan Municipalities in South Africa, 2018). Departments are unable to account accurately on the total cost of ownership of their existing printing and copying devices and it is for this reason that a Policy is devised to realise cost savings and improve efficiencies associated with printing and documents management by rationalising and optimising the printing environment within the Cities. This will ensure that there is a balanced deployment within the printing environment (Metropolitan Municipalities in South Africa, 2018). Printing devices policy reduces cost associated with printing, improve service delivery to the public, enabling to all user departments in their quest to render quality services and effectively and efficient speedy service delivery (Metropolitan Municipalities in South Africa, 2018).

The study found out that employees are aware of the draft policy in place, however they are not complying with the policy, as there are reported incidents wherein printing are done for private use. Printing devices are kept in areas not controlled and private papers printed were found lying in the machines not collected. There are also reported incidents of devices stolen by employees to be used at home for private purposes. The value of printing devices is estimated at R95 million for a 3 year period and it is important that printing devices are utilised effectively with no loss due to misuse.

Locomotion Allowance Policy
Locomotion allowance scheme is attached to an incumbent of a post to use private motor vehicle on more than 10 working days per calendar month on Council business, the Council may attach to that post a permanent locomotion allowance on the recommendation of the Strategic Executive concerned (Metropolitan Municipalities in South Africa, 2018).
The policy was developed and implemented to ensure that there is proper allocation as well as proper control related to usage of the scheme.

The study found out that there is policy in place and it is effective in ensuring that scheme is allocated to deserving officials. However there is challenge related to accounting for kilometres travelled.

Information Technology Policy (IT)
The IT Standards, Policies and Procedures (SPPs) document sets out the principles and standards which determine acceptable use of the computing resources of the Cities of Johannesburg. The primary aim of this SPP document is to balance the proper and efficient business use of the computing resources against the need for protection of the systems, services and information that makes up those resources (Metropolitan Municipalities in South Africa, 2018). Personal use of the Cities's computing equipment and facilities may be approved by the Cities's management if use is clearly insignificant compared to business use and it complies with the Cities's SPPs (Metropolitan Municipalities in South Africa, 2018).

Personal use will not be approved if it (Metropolitan Municipalities in South Africa, 2018):
- Interferes or competes with the Cities' s business;
- Interferes with employee's duties or the duties of other Cities employees;
- Involves any incremental cost to the Cities;
- Provides information about, or lists of, the Cities' s employees to others;
- Involves commercial or personal distribution lists;

The study found out that employees of the Cities are spending more time serving the net than more time spent on service delivery. Almost everyone in the employee of the Cities has got access to internet. There is no proper asset control to locate all IT related equipment. No disposal mechanism in place to ensure that absolute items are disposed. IT equipment that is no longer working properly might contribute to slow service delivery and loss of revenue.

Record Management Policy
Section 13 of the National Archives and Records Service of South Africa Act, 1996 requires State institutions to manage its records in a well-structured record keeping system (Metropolitan Municipalities in South Africa, 2018). It also require an organisation to put the necessary policies and procedures in place to ensure that it's record keeping and records management practices comply with the requirements of the Act. The Act further requires management of the information resources as a valuable asset. This will enable State institutions to find the right information easily and comprehensively. Records management, through the proper control of the content, storage and volume of records, reduces vulnerability to legal challenge or financial loss and promotes best value in terms of human and space resources through greater co-ordination of information and storage systems (Metropolitan Municipalities in South Africa, 2018).The National Archives and Records Service of South Africa Act No. 43 of 1996, as amended, Section 13 of the Act contains specific provisions for efficient records management in governmental bodies.
It provides for the National Archivist;
- to determine which record keeping systems should be used by governmental bodies;
- to authorize the disposal of public records or their transfer into archival custody and;
- to determine the conditions according to which records may be microfilmed or electronically reproduced; and
- to which electronic records systems should be managed.

As far as the Promotion of Access to Information Act is concerned, the definition of a record is similar to that in the National Archives and Records Service Act, namely "recorded information regardless of form or medium". Governmental bodies cannot refuse access on grounds that a record is in an electronic form (including an e-mail). This implies that an electronic record (including an e-mail) like any other record should be managed in such a manner that it is available, accessible, and rich in contextual information. By implication electronic records (including e-mails) should be managed in proper record keeping systems and the disposal of electronic records (including e-mails) should be documented and executed with the necessary authority(Metropolitan Municipalities in South Africa, 2018). It is based on the above that stationery won't be lost if records kept can be accessed electronically by press of button wherever you are than making copies every day to hundreds of employees (Metropolitan Municipalities in South Africa, 2018). The study found out that recognised record offices are complying with document management (record management policy) and duplicate copies are limited on daily basis for meetings and service delivery purposes. The control measure is effective as there are no reported incidents of financial loss to Municipality due to poor record keeping.

Management of Stores
For Cities to focus on its core administration service of rendering service to the Community, emergency stores were erected to keep municipal resources (Metropolitan Municipalities in South Africa, 2018). The main aim of stores is to ensure that stationery and other disposable items are readily available to user departments so that they can focus on dispersing service effectively and efficiently. The study found out that there is control measure of the stores. There is proper checking done of stock issued and ordered and no reported cases of misuse.

Compliance Rate: Implementation of Policy to reduce misuse of Municipal Resources.
Metropolitan Municipalities in South Africa which is one of the biggest African Metropolitan Cities were visited to ascertain the level of effectiveness of measures in place in reducing misuse of municipal resources. Interviews were conducted with relevant employees and managers working with the municipal resources and those assigned to manage the resources. 28 officials in each City were interviewed. The study found out that employees are reported to be utilising policies effectively and is working for them to reduce misuse of resources in their work environment. However there is lack in as far as recovering of monies incurred due to misuse of resources. Furthermore, there are no measures in place to deal with misconduct emanating from the misuse of resources. It is based on the findings that similar situation might be occurring in small municipalities across the country. It is highly likely that recovering of monies lost due misuse is high in the lower municipalities as well.

Monitoring and evaluation mechanism
During the visit, researcher also evaluated mechanism used in monitoring and evaluation of measures in place to curb misuse of municipal resources. The main reason was to ascertain if the policies, procedures and mechanism in place are effective to reduce or curb misuse of municipal resources. The study found out that policies, procedures and measures are not effective enough to detect misuse of municipal resources.

The challenge is that control measures are only effective if they are implemented fully. There is tendency within the Cities that managers tend a blind eye on resources misuse as a minor issues hence the financial impact is huge. It is based on the findings that similar situation might be occurring in small municipalities across the country. If there is no implementation of control measures in the Metropolitan Cities where there are capacity, budget and resources to prevent misuse it is highly likely that in the lower municipalities the situation is the same.

RECOMMENDATIONS
For institutions bigger as Metropolitan Municipalities in South Africa the need therefore exist to have policies and procedures implemented in order to manage and reduce misuse of resources. Approved policies and procedures are recommended to reduce misuse of resources. Employees found to be misusing Municipal resources to be hold responsible and loss emanating from misuse recovered from them. Furthermore, the need therefore exist for audit to be conducted in all municipalities on a yearly basis in identifying the rate of misuse of municipal resources. There is also a need for researcher in doing research on possible policies, procedures and measures to be used by municipalities in reducing and or curbing misuse of municipal resources.

CONCLUSION
Service delivery is affected due to misuse of resources available. Budget allocated yearly in not enough to cater for services to community. The above is contributed by employees of the municipalities who are utilising resources for their own private matters. The need therefore

exist to ensure that those scarce resources are utilizing properly to improve service delivery. Municipalities to develop, approve policies, procedures and measures that will help them in managing scarce municipal resources. Monitoring and evaluation mechanism to be put in place in ensuring that policies, procedures and mechanism in related to municipal resources are implemented and none compliance are dealt with. Accountability on the side of Municipal Managers is key in ensuring that misuse is detected and losses are recovered. Millions of rand misused need to be recovered and reported to prevent recurring. It is also important that employees entrusted to manage those resources are trained and well equipped with necessary resources in management of those resources. In addition, resources should be allocated in line with the need for service delivery and not a nice thing to have.

REFERENCES

1. City of Cape Town (Metropolitan Municipality in South Africa). 2018. www.capetown.gov.za (date accessed 17 July 2018).
2. City of Ekurhuleni (Metropolitan Municipality in South Africa). 2018. www.ekurhuleni.gov.za (date accessed 17 July 2018).
3. City of Johannesburg (Metropolitan Municipality in South Africa). (2018). www.joburg.org.za (date accessed 18 July 2018).
4. City of Tshwane (Metropolitan Municipality in South Africa). (2018). www.tshwane.gov.za (date accessed 18 July 2018).
5. Intsika Yethu Municipality. (2013). Integrated Telephone Usage and Cell phone Policy. Intsika Yethu: South Africa.
6. Republic of South Africa. (1996). Constitution of the Republic of South Africa. South Africa: Pretoria.
7. Republic of South Africa. (2003). Municipal Finance Management Act of 2003. South Africa: National Treasury.
8. Republic of South Africa. (2013). National Treasury Instruction 1 of 2013. National Treasury: Pretoria.
9. Massey University. (2007). Telephone Usage Policy. Massey: Massey University.
10. Molemole Municipality. (2013). Telephone Usage Policy. Molemole: South Africa.
11. University of South Africa. (2005). Policy on Private telephone and cell phone calls. Unisa: Pretoria.
12. Welman, J.C. & Kruger, S.J. (2001). Research methodology. 2nd ed. Cape Town: Oxford University Press.