

BEAUFORT WEST MUNICIPALITY

INTEGRITY MANAGEMENT FRAMEWORK

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DEFINITION OF TERMS

Throughout this document, unless otherwise stated, the words in the first column below have the meanings stated opposite them in the second column (and cognate expressions shall bear corresponding meanings):

Term	Definition
Integrity	<p>The faithful and consistent application of generally accepted public values and norms in the daily practice of the institutions; the proper use of powers, authorities, assets, resources and funds according to the official purpose for which they are intended, with the end in view of promoting public welfare</p> <p><i>“In the context of governance and ethics, integrity is possessing the quality of being honest and having strong moral principles. It encompasses consistency between stated moral and ethical standards, and actual conduct.</i></p> <p><i>Integrity, in relation to the annual financial statements and other external reports issued by the organisation, refers to the reliability and usefulness of these reports. (In this context, “reliability” means validity, accuracy and completeness, while “usefulness” means consistency, relevance and measurability.)”¹</i></p>
Integrity Management	The continuous process of building, enforcing and fostering a culture of integrity within an organization or institution
Good Governance	It is participatory, consensus oriented, Accountable, transparent, responsive, effective and efficient, equitable and inclusive and follows the rule of law. It assures that corruption is minimised and that the interests of the most vulnerable in society are given attention.
Compliance	Adhering to the requirements of laws, industry and organisational standards and codes, principles of good governance and accepted community and ethical standards

¹ Institute of Directors Southern Africa, King IV, Report on Corporate Governance for South Africa 2016.

Term	Definition
Corruption	<p>The Prevention and Combating of Corrupt Activities Act defines corruption as being:</p> <p>“Any person who directly or indirectly, accepts or gives or agrees or offers to accept or give, any form of gratification from any other person, whether for the benefit of themselves or for the benefit of another person in order to act personally or by influencing another person to act, in a manner that amounts to the illegal,</p> <ul style="list-style-type: none"> • misuse or selling of information or material acquired in the course of the exercise, • carrying out or performance, of any powers duties or functions that amounts to the abuse of a position of authority a breach of trust; or the violation of a legal duty or a set of rules; <p>that is designed to achieve an unjustified result, or any other unauthorized or improper inducement to do or not to do anything.”</p>
Financial Misconduct	<p>Means any act of financial misconduct referred to in-</p> <p>(a) section 171 of the MFMA committed by an official of a municipality; or</p> <p>(b) section 172 of the MFMA committed by an official of a municipal entity;</p>
Whistle-blower	<p>Any staff member who reports a suspicion of alleged misconduct or wrongdoing within an organization to those in authority.</p>

PURPOSE

The purpose of the Integrity Management Framework is to set out the responsibility of the Municipality in implementing the Local Government Anti-Corruption Strategy. Also, to strengthen measures and standards for managing integrity and promote ethical conduct in the organisation.

King IV report reinforces the need to consider all anti-corruption measures in an effective manner, when, amongst others, it states that the governing body should:

- Lead ethically and effectively (Principle 1);
- Govern the ethics of the organisation in a way that supports the establishment of an ethical culture (Principle 2);
- Ensure that the organisation is, and is seen to be, a responsible citizen (Principle 3);
- Ensure that the appointment of, and delegation to, management contribute to role clarity and the effective exercise of authority and responsibility (Principle 10); and
- Govern compliance with applicable laws and adopted non-binding rules, codes and standards in a way that supports the organisation being ethical and a good corporate citizen (Principle 13).

OBJECTIVES OF THE INTEGRITY MANAGEMENT FRAMEWORK

- To promote integrity and good governance and strive to build more accountable and efficient public service;
- To make sure that appropriate action is taken in the event of non-compliance i.e. disciplinary action, recovery of losses, prosecution etc.;
- To strengthen the capacity to prevent corruption;
- Monitoring and Evaluation to ensure compliance.

The Framework will help to protect the integrity of the municipality and foster public confidence in the organisation.

SCOPE

This framework is based on the elements and principles contained in the Public Sector Integrity Management Framework. The Framework includes the instruments, processes, structures and conditions required to promote integrity, which is aligned with the municipality's objectives.

REGULATORY LEGISLATION

The Protected Disclosures Act 26 of 2000.

The purpose of the act is to give provision for the procedures in terms of which employees (in both the private and the public sector) may disclose information regarding unlawful or irregular conduct by:

- their employers; or
- other employees in the employ of their employers;
- to provide for the protection of employees who make a disclosure, which is protected in terms of the Act.

It has the following goals:

- to create a culture that facilitates the disclosure of information by employees about criminal or other irregular conduct in the workplace responsibly, and
- to promote the eradication of criminal and other irregular conduct in organs of state and private bodies.

Municipal Systems Act 32 of 2000.

Included in the preamble to the act the following is stated.

- “Whereas there is a need to set out the core principles, mechanisms and processes that give meaning to developmental local government and to empower municipalities to move progressively towards the social and economic upliftment of communities and the provision of basic services to all our people, and specifically the poor and the disadvantaged;”
- “Whereas the new system of local government requires an efficient, effective and transparent local public administration that conforms to constitutional principles;”

The act contains the legislated;

- Code of conduct for Councillors, as well as the
- Code of conduct for municipal staff members

Municipal Finance Management Act 56 of 2003

Section 112(1) stipulates that the Supply Chain Management Policy of a municipality must be fair, equitable, transparent, competitive and cost-effective and comply with a prescribed regulatory framework for municipal supply chain management, which must cover at least the measures for-

- Combating fraud, corruption, favouritism and unfair and irregular practices in municipal supply chain management; and

- Promoting ethics of officials and other role players involved in municipal supply chain management

Prevention and Combating of Corrupt activities Act 12 of 2004

Prevention and Combating of Corrupt Activities Act aim to prevent and fight corruption in government and in the private sector. The Act was written to:

- Strengthen measures to prevent and combat corruption and corrupt activities;
- Create the crime of corruption and related crimes;
- Deal with investigations into corruption;
- Create a register to prevent people who use corruption from getting government contracts or tenders;
- Require people in positions of authority to report corruption over R100 000;
- Prevent people in South Africa from using corruption to influence members of the public sector of other countries.

Municipal System Amendment Act 1 of 2011

The MSA sets out the procedure to be adopted by municipal management with regard to a number of aspects affecting the management of municipality. The Act also stipulates procedures to be adopted with regard to certain aspects related to misconduct and investigation thereof.

The Public Administration Management Act 11 of 2014

The Public Administration Management Act establishes the Public Administration Ethics, Integrity and Disciplinary Technical Assistance Unit which will, among other things, “provide technical assistance and support to institutions in all spheres of government regarding the management of ethics, integrity and disciplinary matters relating to misconduct in the public administration.”

The Unit may perform its functions in respect of: “a Municipality with the concurrence of the Municipal Council or upon the request of the relevant Municipal Council, or upon the request of the relevant Member of the Executive Council in respect of an investigation contemplated in section 106(5) of the Municipal Systems Act.”

INTRODUCTION TO THE INTEGRITY MANAGEMENT FRAMEWORK

Integrity is often defined as adherence to moral and ethical principles; soundness of moral character and honesty. When translated into an organisation it means:

- Upholding the organisation's values;
- Performing duties in accordance with legislation and policy;
- Meeting good governance and compliance responsibilities;
- Ensuring a corruption-resistant culture that aspires to the highest ethical standards;
- Exercising our powers in line with community needs and organisational objectives.

The benefits of a positive ethical culture include:

- Employees feel a sense of responsibility and accountability for their actions and for the actions of others;
- Employees freely raise issues and concerns without fear of retaliation;
- Managers model the behaviours they demand of others;
- Managers communicate the importance of integrity when making difficult decisions;
- Leadership understands the pressure points that drive unethical behaviour;
- Leadership develops processes to identify and remedy those areas where pressure points occur.

Approach

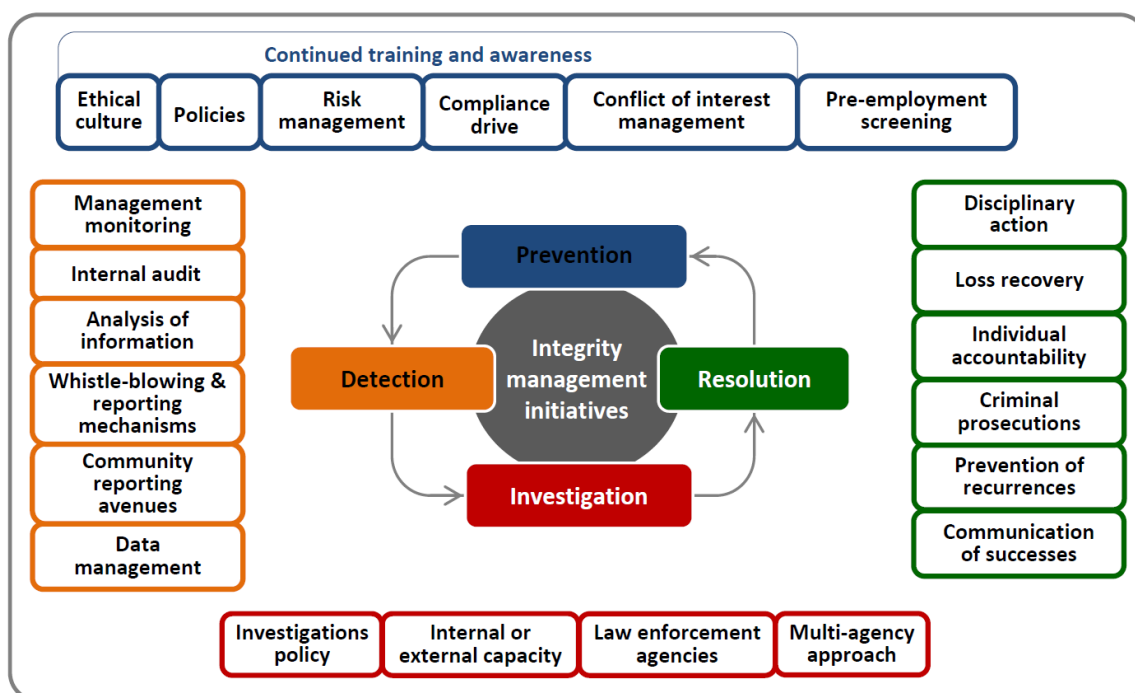
An integrity management framework is an approach by which the Municipality commits to harness a culture of integrity among officials and personnel. It is based on five elements and the majority of these elements are existing legislative and regulatory duties.

The following diagram gives an overview of the Framework.

Figure 1: Schematic diagram of the Local Government Integrity Management Framework



Figure 2: Schematic diagram of the integrity management initiatives



LEADERSHIP AND COMMITMENT

Council shall govern the ethics of the municipality in the way that supports the establishment and maintenance of an ethical culture.² The municipal council shall set the tone and drive good governance, organisational integrity, and anti-corruption initiatives.

Councillor responsibilities

- Set the direction for ethics in the organisation;
- Approve codes of conduct and ethics policies as well as ensure that they include all stakeholders and key ethical risks;
- Ensure that there are ways for the community to be made familiar with the codes of conduct and ethics policies by means of:
 - i. Publishing the municipality's codes of conduct and policies on the municipality's website, or on other platforms or through other media;
 - ii. The incorporation of the codes of conduct and policies in supplier and employee contract;
 - iii. Including the codes of conduct and ethics in employee induction and training programmes.
- Delegate implementation of codes of conduct and ethics policies to management;
- Provide ongoing oversight of the management of ethics and in particular oversee that it result in the following:
 - i. Application of the municipality's ethical standard to the process for the recruitment, evaluation of performance, employee remuneration, supplier selection, breach management, whistleblowing and independent assessments;
 - ii. Having sanctions and remedies in place for when the municipality's ethical standards are breached;
 - iii. The use of protected disclosure or whistleblowing mechanism to detect breaches of ethical standards and dealing with such disclosure appropriately.
- Disclose how ethics are being managed, focus areas, monitoring measures and how ethical outcomes are addressed;
- Give an acknowledgement of moral responsibility at each council meeting that states "As a Councillor of Beaufort West Municipality I am the custodian of good governance on behalf of my community;
I am responsible for ensuring the municipality is governed effectively and ethically;

² Institute of Directors Southern Africa, King IV, Report on Corporate Governance for South Africa 2016.

I need to fulfil this responsibility in line with my conscience and in the best interests of my community. This responsibility is mine alone. If I fail at this, I fail my people”

Accounting Officer Responsibilities

- The Accounting Officer shall provide ethical leadership in the administration of the municipality;
- The Accounting Officer shall ensure that the municipality has a strong programme to promote integrity and fight corruption;
- The Accounting Officer shall allocate sufficient resources for the implementation of the integrity management requirements;
- The successful implementation of the Integrity Management Framework shall form part of the Accounting Officer’s performance contract.

COMMUNITY OWNERSHIP

In terms of section 2 of the Municipal Systems Act, a Municipality consists of a community, a council and an administration. Section 152 of the Constitution of the Republic of South Africa, 1996 confirms a number of citizen rights and more specifically, the rights of communities to be involved in local governance.

As the Beaufort West Local Municipality, we are obliged to encourage the involvement of community and community organisations in local government. The municipality is obligated to:

- Take into account the interests and concerns of the residents when it crafts by-laws, policy and implements its programmes
- Communicate to the community regarding its activities

Processes of community participation

In terms of **information**, communities shall be informed about the intentions of the municipal council. The Municipality shall use this process with the objective of providing balanced and objective information. The promise to the public is to keep community and citizens informed.

With regard to **consultation**, Beaufort West Municipality shall use this process with the objective of obtaining community and public views, opinions and feedback from the community. The promise to the public is to keep the community informed and act on their concerns and some of their opinions.

In terms of **involvement**, this process entails working with public verifying facts, ideas gathered and test some of the assumptions, and pre-understanding before any

decision is made. The promise to the public is to ensure that the community is involved in the process. Methods and tools shall include facilitation, planning focus meeting, and precinct committee and project steering committee

Participation refers to active participation where all stakeholders, citizens and communities are involved. The promise to the public is that the community must be part of the formulating solutions.

In terms of **empowerment**, Beaufort West Municipality shall use this process with the objective that community carries out decisions and plans.

Principles for community participation

- The issue at that given time shall determine and influence decision and procedures specifying who is to participate or to be consulted. Ward Committees shall be the main organisational mechanisms for participation;
- The Council shall clarify the purpose so that communities are able to understand clearly as to why the engagement is occurring, and its context, in order to plan and resource in an effective manner. This shall include the desired outcome and indicate who should be engaged to achieve the purpose. Clarity about how participants can influence the decisions that may be made and, equally important, what cannot be influenced shall be given;
- The Council shall show commitment by allocating sufficient time and resources to the community engagement processes. Senior level leadership's visibility shall be ensured. Community engagement is viewed as integral to Municipal normal development assessment and plans, project, practices and operations;
- Beaufort West Municipality shall communicate openly, honestly and accountably with those who are seeking to engage or to be engaged. Communication shall not only include information dissemination but also information gathering, information sharing, collaborative discussion and decision-making. Information shall be given in the language that the audience is familiar with;
- The Municipality is prepared to continually review and revise the way communities are engaged during participation processes. Selection from a range of techniques that enable different communities or sectors to participate effectively shall be applied;
- Beaufort West Municipality shall ensure that participants receive prior information in time to ensure effective and meaningful contributions. Participants shall be informed as to when they can expect feedback on their contributions. Feedback shall be given to the participants with set timeframe;
- Beaufort West Municipality shall strive to be as inclusive as possible. Particular attention shall be paid to the needs of groups that tend to be underrepresented (women, youth and disabled persons) in an engagement associated with development assessment and plan making. The Municipality

shall, by all means, simplify terminology and technical language so that it can be well understood;

- The municipality shall aim for a participatory approach to development issues and plan to make, particularly in larger, more complex processes. This shall be done by involving communities as early as possible in the process. Further, it shall be done by working closely with other agencies operating in the area to avoid repetitive consultations with a community on the same or similar subject matter;
- Public participation shall be structured in a way that provides sufficient room for diversity i.e. for different participation styles, cultures and location-specific.

Beaufort West Municipality shall make use of the following tools and techniques for participation:

- The Executive Mayor's message on the budget. Materials prepared to facilitate discussions on the budget before the council adopts it. This shall explain the Municipality's priorities and constraints of the budget;
- Utilizing media and social media through press conferences, press releases, inviting them to important events;
- Feedback channels such as letters and phone calls from citizens; complaint/comments boxes in public places; establishing and responding to a special e-mail address for comments. The most important issue here is to manage properly the comments received from citizens: a return message or a card should acknowledge those who sent the comment. The Municipality may report in the media or other public sources on the type of comments received and actions undertaken to address the comments;
- Informational brochures, such as general brochure that contains general information on city authorities, telephone numbers, working hours, organizational chart, council, committees, advisory groups, etc. Such a brochure can be distributed among citizens along with local newsletter or placed in public buildings;
- External Municipal newsletter: Council news, issued on a regular basis, which contains most important information on activities within the municipality.

Community reporting avenue

The community and the employees shall report anonymously any incidents of misconduct by making use of any of the following methods:

- **Telephone: 0800 701 701 National Anti-fraud toll-free number³**

People may be able to report instances of bid-rigging, price-fixing, arbitrage and profiteering, collusion and tender and procurement irregularities.

³ Local Government, Anti-Corruption Strategy 2016, 5.4 "b) As far as practical and effective municipalities should utilise the National Anti-corruption Hotline which is managed by the Public Service Commission."

The personal details of anyone reporting an incident will be kept confidential, but the information collected will be aggregated, allowing the risk management unit to analyse the data, spot patterns and draw a 'heat map' of when and where corruption is occurring.

GOVERNANCE STRUCTURES

Governance structures are in place to ensure effective good governance and the implementation of integrity and anti-corruption programmes.

Oversight committees

An Audit Committee has been established in line with section 166 of the Municipal Finance Management Act. In line with section 79 of the Municipal Structures Act, a Municipal Public Accounts Committee (MPAC) has also been established.

Audit committee's oversight responsibilities towards fraud:

The Audit Committee shall encourage management to provide a mechanism for employees to report concerns about unethical behaviour, actual or suspected fraud, or violations of the municipality's code of conduct.

The Committee shall receive periodic reports describing the nature, status and eventual disposition of any fraud or unethical conduct.

The Audit Committee charters shall empower the committee to investigate any matters within the scope of its responsibilities, and to retain legal, accounting and other professional advisers as needed to advise the committee and assist in its investigation.

The Audit Committee shall establish an open line of communication with management at all levels to assist them in identifying fraud at the highest levels of the organisation or investigating any fraudulent activity that might occur.

MPAC's oversight responsibilities towards fraud

Monitor the organisation's conflict of interest policy, which questions an employee's possible relationship with suppliers, contractors and customers, including family alliances and outside business dealings.

Probes and clarifies any deviations within the Supply Chain Management processes and procedures, where such a deviation may amount to a potential for risk to the municipality⁴

The reports properly and accurately identify and quantify any instances of unauthorised, irregular, wasteful and fruitless expenditure, as well as maintaining a register with actions and timelines.⁴

Probes and clarifies all instances of unauthorised, irregular, wasteful and fruitless expenditure.⁴

Seeks to identify responsible parties in the case of deviations from any process or policy and ensure consequence management is followed.⁴

Makes appropriate and timely recommendations to Council to address shortcomings in Oversight Reports, and matters relating to unauthorised, irregular, wasteful and fruitless expenditure.⁴

Integrity Officer/ Champion

The risk management unit shall be delegated the responsibility for coordinating and implementing the municipality's integrity management initiatives and a member of senior management team shall be delegated the responsibility to champion the integrity management initiatives of the municipality.

The integrity Officer/Champions shall be expected to play a crucial role in preventing corruption and malpractices in the municipality. He/she shall also foster the following ethical values/principles among municipal employees:

Ethical values/principles	Municipal Employees are called upon to:
<i>Accountability</i> ⁵	To adhere to the principles of accountability to the public for each and every decision and action taken. Employees are required to submit themselves to whatever scrutiny is appropriate to their office.
<i>Competence</i> ⁵	To generally have the skills, experience and capacity to assume and fulfil the responsibilities and exercise the functions and powers assigned to them.
<i>Fairness</i> ⁵	To act with impartiality, without favouritism or discrimination.
<i>Conflict</i>	Declare any private interests relating to their public duties and take relevant steps towards conflict resolution to protect the public interest.
<i>Integrity</i> ⁵	Demonstrate a strong character instilled with ethical principles and conviction even in difficult circumstances in line with

⁴ MPAC Scope of Work, Municipal Public Accounts Committees (MPAC), Guide and Toolkit, MFMA Circular 92.

⁵ As included in ethical leadership definition "Definition of Corporate Governance". Institute of Directors Southern Africa, King IV, Report on Corporate Governance for South Africa 2016.

Ethical values/principles	Municipal Employees are called upon to:
	municipal values. (Honesty)
Leadership	Provide and direct a vision for the municipality, inspire and deploy others to deliver on the strategic objectives contained in the IDP.
Objectivity	Act and take decisions impartially, fairly and on merit, using the best evidence and without any type of discrimination.
Responsibility⁵	To fulfil all duties and obligations as assigned. Failure to act responsibly could lead to negative consequences for the individual/s involved.
Transparency⁵	Act in an open and transparent manner when dealing with everyone, without favouritism or discrimination.

Role and Responsibilities of Integrity Officers/Champion

The Integrity Officer/Champion shall be empowered to drive anti-corruption initiatives and to enhance the effectiveness and sustainability of the anti-corruption strategy in the municipality.

Responsibilities	How
Secure and sustain public trust and confidence in the management of the municipality	<p>The council has to direct the change process. Their tasks would consist of:</p> <ul style="list-style-type: none"> • translating the strategic lines defined by top management into an integrated Integrity Management Plan; • approve the plan • engaging staff in the implementation of the plan • expediting implementation of the Anti-Corruption strategy in a sustained manner; • Monitoring progress and reporting to the Accounting Officer and Council.
Assess the implementation deficit of integrity measures	<p>Minimise the risks of malpractices and corruption by:</p> <ul style="list-style-type: none"> • promptly identifying, assessing and mitigating integrity risks; • sharing experience with other Integrity Officers/Champions
Reinforce both system's and people's integrity in the municipality	<p>develop and implement measures for the promotion of transparency, accountability and integrity in the organisations;</p> <ul style="list-style-type: none"> • ensure compliance with the code of ethics/conduct and enhance ethical standards; • provide opinions and guidance on integrity risks and issues that may arise.

PREVENTION

The Municipality shall:

- Promote a professional ethical culture;
- Promote sound governance and risk management;
- Ensure competent employees of integrity are appointed; and
- Manage conflicts of interests pro-actively.

Promote a professional ethical culture

“Ethical leadership is exemplified by integrity, competence, responsibility, accountability, fairness and transparency. It involves the anticipation and prevention, or otherwise amelioration, of the negative consequences of the organisation’s activities and outputs on the economy, society and the environment and the capitals that it uses and affects.”⁶

The spirit and letter of the Code of Conduct for Councillors and the Code of Conduct for Municipal Staff Members (Schedules 1 and 2 of the Municipal Systems Act) and the Code of conduct forward committees shall be promoted and upheld in the Municipality

- a) Councillors, officials and ward committee members shall receive a copy of the code applicable to them;
- b) Councillors, officials and ward committee members shall receive induction training on the codes applicable to them;
- c) Councillors, officials and ward committee members shall sign annual commitments to the principles and provisions of the codes;
- d) Councillors, officials and ward committee members shall participate in interactive ethics workshops. Such workshops shall include discussions on:
 1. Professional and organisational values;
 2. Relevant workplace ethical dilemmas/challenges;
 3. The relevant code of conduct;
 4. Organisational policies and procedures related to:
 - Conflicts of interest (e.g. disclosure of interests, and external remunerative work)
 - Whistle-blowing
 - Fraud and corruption prevention
 - Supply chain management
- e) The Code of Conduct for Councillors, officials and ward committee members are available at the Corporate Services Department’s HR Office.

⁶ Institute of Directors Southern Africa, King IV, Report on Corporate Governance for South Africa 2016.

Manage corruption risk

Effective management of fraud and corruption risks shall focus on the effective detection, response and prevention of incidents. The Municipality shall have the following measures in place in order to manage corruption risks.

(a) Implement a tiered approach

Implement a three-tier approach to reducing fraud and corruption, which shall include essential elements of prevention, response and detection. Each of these three-tiers has numerous elements which comprise their core function.

(b) Effective fraud risk assessments

Initiate on-going Fraud Risk Assessments, which are a non-negotiable element of mitigating the risks of fraud.

(c) Eliminating conflicts of interests

Manage the risk of Conflicts of Interest through the implementation of an auditable declaration process where all declarations are assessed and verified. Employees' business interests shall be verified and exceptions shall be investigated in a consistent manner.

(d) Managing relationships with external stakeholders

Discourage/prohibit the receipt of gifts from suppliers as this alleviates the risk of potential irregularities and furthermore reduces the administration of any gift register. Suppliers shall also be required to declare all gifts offered/provided to employees.

(e) Know your business partners

Supplier vetting shall entail stringent verification and approval measures, including a Conflict of Interest Declaration. Suppliers shall be required to accept and adhere to the organisation's Code of Conduct, SCM policy and anti-fraud and corruption requirements.

(f) Creating awareness

Fraud Awareness and Anti-Fraud Education shall be consistently applied throughout the organisation and a continuous basis.

Employee exit procedures shall be in place to ensure that:

- An employee is removed from any lists of signatories for departmental accounts and/or purchasing provisions;
- All municipal assets and equipment are returned;
- Any access to IT systems and accounts is cancelled.

Pre-employment screening

The Human Resource section shall ensure that competent employees with high standards of personal integrity are appointed and promoted.

Senior manager appointments shall comply with the minimum competency requirements as set out in the Regulations on appointment and conditions of employment of senior managers.

Pre-employment screening shall be conducted for all new appointments to verify:

- Qualifications
- Previous employment
- Disciplinary record
- Criminal record
- Credit record
- Any outstanding investigations or disciplinary matters at previous employers

Employees shall be re-screened when they are promoted, especially if different levels of qualifications are required by the new position.

Management of Conflict of Interest

In order to ensure that, in a situation of real, apparent or potential conflict of interest and situations where there is a conflict of duties, decisions are made in a manner, which upholds the interest of the public a conflict of interest policy shall be developed.

The conflict of interest policy shall deal with:

- An employee's general responsibilities and duties;
- Responsibilities of managers;
- Responsibilities of the municipality;
- **Responsible officer.** The policy shall identify an individual as the responsible officer for conflicts of interest oversight and explain the functions they will perform. The individual nominated shall be senior enough to make decisions needed to maintain the policy and give effect to decisions made;
- **Explanation.** Explanation of the type of interest that could give rise to conflicts such as private, family, business and any other key terms used in the policy or applicable legislation;
- **Advice and guideline.** The policy shall acknowledge that conflicts of interest are not always clear to those who have them and that if individuals are unsure about a possible conflict of interest they should seek advice;
- Requirements for preventing post-employment conflict of interest situations before and after leaving office;

- Requirements for preventing and dealing with situations of conflict of interest during employment;
- **Procedures for Declaration of interest.** The policy shall specify how and when municipal employees are obliged to complete a statement of interests. Position descriptions shall identify whether a statement of interest is applicable to the position to ensure that new appointees complete a statement of interests on commencement;
- **Procedure for disclosure of conflict of interest.** The policy shall provide procedures for conflicts of interest to be disclosed as they arise. If there are no legislative requirements for disclosure of interests in meetings and the organisation routinely makes decisions in meetings (such as board, committee or council meetings) the policy shall include a meeting procedure for disclosing interests that relate to matters to be discussed or decided in the meeting. Meeting procedures shall incorporate any relevant statutory provisions and address the need to minute interests that are declared, the nature of the conflict of interest and how it was handled;
- **Procedures for managing conflict of interest.** The policy shall set out the precise steps to follow to manage conflicts of interest once they have been disclosed;
- **Procedures for record keeping.** The policy shall also describe the type of record keeping that the municipality requires for each type of conflict of interest;
- **Breaches of the policy.** The policy shall explain the consequences for breaches of it. Any sanctions shall act as a deterrent and are proportionate to the seriousness of the breach;
- **Privacy.** The policy should note that reporting potential or actual conflicts may involve disclosing personal information. This information will be handled according to POPI Act. If disclosing a conflict of interest to a supervisor or manager raises privacy concerns for staff members, consider providing an alternative disclosure mechanism such as the person responsible for maintaining or advising on the policy.
- Review the policy on a regular basis.

The management of conflict of interest shall be divided into three stages namely, identify, manage and monitor.

Stage1: Identifying and reporting conflicts of interest

Identifying conflicts of interest is an important first step in managing them appropriately. When faced with a situation in which you suspect you may have a conflict of interest, as a municipal official you shall be required to:

- Assess the situation and the surrounding circumstances that could affect any decisions or actions in the matter;
- Identify whether or not any conflicts of interest exist;

- Determine what type of conflict of interest you might be dealing with (i.e. if the conflict is an actual, perceived or potential conflict of interest or whether it is a pecuniary or non-pecuniary conflict).

An actual conflict of interest	Perceived conflict of interest	Potential conflict of interest
A municipal official is in a position to be influenced by their private interests when doing their job	A municipal official is in a position to appear to be influenced by their private interests when doing their job	A municipal official is in a position where they may be influenced in the future by their private interests when doing their job

Stage 2: Managing conflicts of interest

The conflict of interest shall be resolved or managed in a variety of ways and the choice of strategy will depend on an assessment of the

- nature of the conflict;
- the complexity of the situation;
- the severity of the incident;

Each case will require detailed examination and careful application of various conflict resolution strategies. Often a combination of measure may be adopted. The six major options for managing conflict of interest are:

- **Register:** Employees shall be required to register their pecuniary and non-pecuniary interests that may in the future conflict with some aspect of their work. The access to the register of interest for municipal employees shall be strictly confidential. The register shall be held securely with access restricted to the Accounting Officer and an ethics officer to ensure accountability and transparency of operations and management;
- **Restrict:** A disinterested third party shall be used to oversee part or all of the process that deals with the matter;
- **Recruit:** Where it is not appropriate or desirable for you, as the individual with the conflict of interest, to remove yourself from the decision-making process a disinterested third party shall be used to oversee part or all of the process that deals with the matter;
- **Remove:** Removal strategies shall be most appropriate for ongoing serious conflicts of interest where ad hoc restriction or recruitment of others are not feasible or appropriate. Such strategies aim to remove an individual from the conflict of interest from all duties related to the conflict of interest for as long as the conflict of interest exists;
- **Relinquish:** In occasions when an employee's commitment to public duty outweighs his/her attachment to his/her private interest. Alternatively, an employee may prefer to relinquish the relevant private interest rather than radically change his/her work responsibilities or environment;

- **Resign:** Resignation is the most extreme solution to a serious conflict of interest. Although extreme, a resignation shall be a strategy available for consideration if the conflict of interest cannot be resolved in any other workable way.

Management Strategy	When most suitable	When least suitable
Register Where details of the existence of a possible or potential conflict of interest are formally registered.	<ul style="list-style-type: none"> • for very low-risk conflicts of interest and potential conflicts of interest • where the act of transparency through recording the conflict of interest is sufficient 	<ul style="list-style-type: none"> • the conflict of interest is more significant or of higher risk • the potential or perceived effects of a conflict of interest on the proper performance of the public employee's duties require more proactive management
Restrict Where restrictions are placed on the public employee's involvement in the matter.	<ul style="list-style-type: none"> • the public employee can be effectively separated from parts of the activity or process • the conflict of interest is not likely to arise frequently 	<ul style="list-style-type: none"> • the conflict is likely to arise more frequently • the public employee is constantly unable to perform a number of their regular duties because of conflict of interest issues
Recruit Where a disinterested third party is used to oversee part or all of the process that deals with the matter.	<ul style="list-style-type: none"> • it is not feasible or desirable for the public employee to remove themselves from the decision-making process • in small or isolated communities where the particular expertise of the public employee is necessary and genuinely not easily replaced 	<ul style="list-style-type: none"> • the conflict is serious and ongoing rendering ad hoc recruitment of others unworkable • recruitment of a third party is not appropriate for the proper handling of the matter • a suitable third party is
Remove Where a public employee chooses to be removed from the matter.	<ul style="list-style-type: none"> • for ongoing serious conflicts of interest where ad hoc restriction or recruitment of others is not appropriate 	<ul style="list-style-type: none"> • the conflict of interest and its perceived or potential effects are of low risk or low significance • the public employee is prepared to relinquish the relevant private interest rather than radically change their work responsibilities or environment

Management Strategy	When most suitable	When least suitable
Relinquish Where the public employee relinquishes the private interest that is creating the conflict.	<ul style="list-style-type: none"> the public employee's commitment to public duty outweighs their attachment to their private interest 	<ul style="list-style-type: none"> the public employee is unable or unwilling, for various reasons, to relinquish the relevant private interest
Resign Where the employee resigns.	<ul style="list-style-type: none"> no other options are workable the public employee cannot or will not relinquish their conflicting private interest and changes to their work responsibilities or environment are not feasible the public employee prefers this course as a matter of personal principle. 	<ul style="list-style-type: none"> the conflict of interest and its potential or perceived effects are of low risk or low significance other options exist that are workable for the public employee and the agency.

Stage 3: Monitoring the management of conflicts of interest

Monitoring is an essential component of any strategy adopted to manage conflicts of interest. Ongoing monitoring and regular reviews allow changes to be made to the management strategy and the way in which it is implemented before problems have an opportunity to arise.

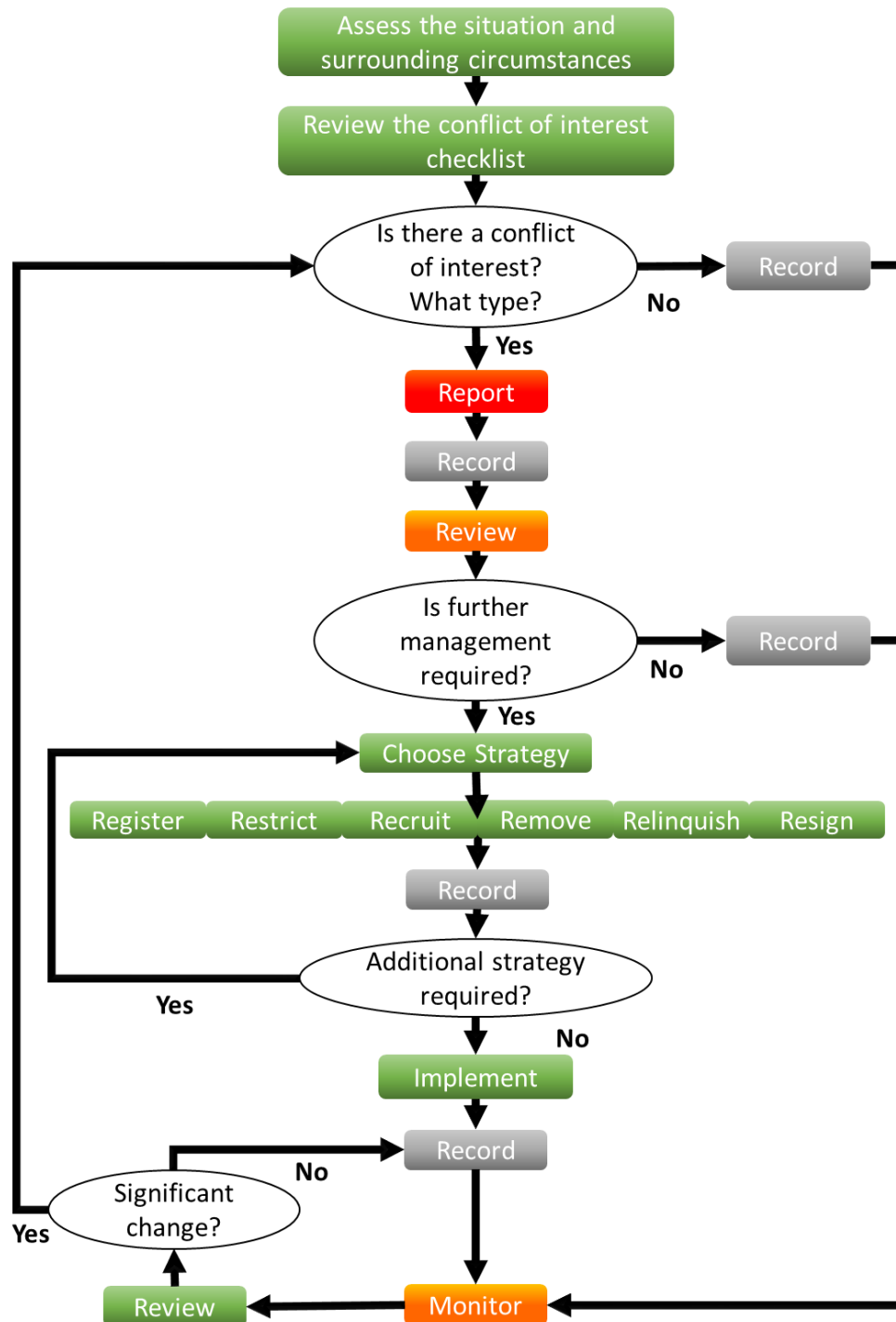
To ensure the chosen management strategy remains relevant until conflicts of interest are resolved, the following shall be regularly reviewed and assessed:

- the original situation that had given rise to declaring the conflict of interest;
- initial determinations and management decisions;
- the strategy put in place to manage the conflict of interest;
- actions were taken in implementing the management strategy;
- changes in the situation that may have an impact on the management strategy;
- perceptions held by others that the conflict of interest is having an improper influence on the matter;
- reassessments and management decisions made about the continued management of the conflict of interest;
- Changes made to the management strategy and its implementation.

The flow chart below depicts the three stages

Decision-Making Flowchart

Figure 3: Decision Making Flowchart



DETECTION

The municipality shall put in place systems and processes to ensure that they detect instances of corruption that may occur.

Internal auditor's responsibility towards fraud detection:

Internal auditors shall evaluate the effectiveness of the following features of an enhanced, highly effective ethical culture:

- Formal code of conduct, which is clear and understandable, and related statements, policies (including procedures covering fraud and corruption) and other expressions of aspiration;
- Frequent communications and demonstrations of expected ethical attitudes and behaviour by the management of the Municipality;
- Explicit strategies to support and enhance the ethical culture with regular programmes to update and renew the organisation's commitment to an ethical culture;
- Several easily accessible ways for people to report alleged violations of the code and policies, and other acts of misconduct confidentially;
- Regular declarations by employees, suppliers and customers that they are aware of the requirements for ethical behaviour in transacting the municipality's affairs;
- Clear delegation of responsibilities to ensure that ethical consequences are evaluated, confidential counselling is provided, allegations of misconduct are investigated and case findings are properly reported;
- Easy access to learning opportunities to allow all employees to be ethics advocates;
- Positive personnel practices that encourage every employee to contribute to the ethical climate of the organisation;
- Regular surveys of employees and suppliers to determine the state of the ethical climate in the organisation;
- Regular reviews of the formal and informal processes within the organisation that could potentially create pressures and biases that would undermine the ethical culture;

Whistleblowing and reporting mechanism

The Municipality's whistle-blowing mechanism is included in the framework to allow for the anonymous reporting of fraud and corruption that explains, formalises and gives effect to the following commitments:

The Municipality will:

- (a) Raise awareness of the policy or procedures through all available means such as staff engagement, intranet sites, and other marketing communications;
- (b) Provide training to all employees on how disclosures should be raised and how they will be acted upon;
- (c) Protect staff who blow the whistle and maintain confidentiality – so those reporting wrongdoing can do so without fear of retaliation or detriment to themselves;
- (d) Treat all reports of wrongdoing fairly and with care – and take each one seriously;
- (e) Promptly review and where appropriate thoroughly investigate reports of wrongdoing – taking action and seeking to put things right;
- (f) Undertake to protect the identity of the worker raising a disclosure, unless required by law to reveal it and to offer support throughout with access to mentoring, advice and counselling;
- (g) Provide feedback to the employee who raised the disclosure where possible and appropriate subject to other legal requirements. Feedback should include an indication of timings for any actions or next steps;
- (h) Keep the associated arrangements under review and update them periodically.

The Municipality encourages communities and stakeholders or service provider who suspect fraud and corruption to contact the **National Anti-Fraud Hotline** that is administered by the Public Service Commission on **0800 701 701**. The National Anti-Corruption Hotline is available 24 hours in all official language, you have an option to remain anonymous or identify yourself when reporting.

Data Management

The municipality shall establish a case management system that:

- HR will keep record of all HR related reported cases and the progress of cases under investigation; (It will be submitted to the Audit Committee on a regular basis)
- Internal audit will develop an allegation register and an ad-hoc investigation register and continuously update it; (Both registers will be submitted to the Audit Committee)
- Tracks progress;
- Aligns with the reporting requirements of national and provincial government

In terms of section 14 of the Municipal regulations on financial misconduct procedures and criminal proceedings, the municipality shall prepare an information document on any alleged financial misconduct or offence stating:

- Name and position of the person alleged to be involved;
- Summary of facts;
- Monetary amount involved;

- Disciplinary steps implemented or to be taken;
- If no disciplinary steps are taken, the reason for this decision;
- Case number issued by SAPS if it is a financial offence;
- Steps were taken to recover unauthorized, irregular or fruitless and wasteful expenditure.

In terms of section 34 of the Prevention and Combatting of Corrupt Activities Act, the Accounting Officer shall report acts of corruption or acts of fraud involving more than R100 000 to the SAPS.

The information management system shall keep a record of all of the reports on financial misconduct or corruption.

Reports on financial misconduct or corruption shall be submitted to the Municipal Manager, the Audit Committee and MPAC on a regular basis.

INVESTIGATIONS

The Municipality shall ensure that all legitimate corruption allegations are investigated. The Municipality shall develop internal capacity and make use of external expertise, or draw on provincial or national expertise.

Anti-Fraud and Corruption strategy and response plan

The responsibility for investigating all alleged legitimate corruption rests with the Risk Management Division. Deciding whether to undertake an internal investigation is a key part of an organisation's response to detected or suspected corruption.

Possible allegations of wrongdoing which fall under their investigative mandate shall include, but are not limited to:

- Misuse of municipal funds, including for personal gain or gain by another;
- Abuse of position, including for personal gain or gain by another;
- Solicitation or receipt of kickbacks or bribes;
- Wilful misrepresentation (fraud);
- Corruption;
- Coercion;
- Collusion;
- Embezzlement;
- Work harassment;
- Discriminatory practices. Retaliation, including retaliation against alleged whistle-blowers;
- Abuse of authority;
- Conflicts of interest;

- Abuse or misuse of municipal property or funds, including those related to travel, benefits, allowances, or petty cash;
- Concealment of material facts;
- Conspiracy;
- Deception;
- Extortion;
- False Representation;
- Favoritism;
- Forgery;
- Fraud;
- Fruitless and Wasteful Expenditure;
- Misappropriation;
- Nepotism;
- Overtime manipulation; and
- Theft, resulting in any loss of or damage to finance related assets.

Appropriate procedures shall be put in place to investigate allegations of misconduct. The municipality' Anti-Fraud and Corruption Strategy and response plan sets out how detected matters will be dealt with, including:

- Investigative Process;
- Investigative Activities;
- Reporting results of an investigation;
- Investigative Principles & Standards;
- Rights & Obligations of Staff Members;
- Communication of the outcome of the investigation;
- Processes for ensuring independence when Senior Managers, Municipal Managers, or Councillors are implicated.

The investigative office shall take reasonable measures to protect as confidential, any non-public information associated with an investigation, including the identity of parties that are the subject of the investigation and of parties providing evidence. The manner in which all information is held and made available to parties within the Municipality or parties outside of the Municipality, including National Treasury, is subject to the Municipality's policies and procedures.

The Municipality shall publish the mandate and/or terms of reference of the investigating officer as well as an annual report highlighting the integrity and anti-fraud and corruption activities in accordance with the policy on the disclosure of information.

Disciplinary Board and Its Functioning

The Beaufort West Municipal Council established the Disciplinary Board Committee of Beaufort West Municipality.

The composition of the Disciplinary Board Committee for Beaufort West Municipality are as follows:

1. The Chairperson of the Audit Committee
2. The Senior HR Manager
3. Official: Legal Services
4. The Internal Auditor
5. A representative of the Western Cape Provincial Treasury or National Treasury

The following is important:

Reporting of allegations of financial misconduct in terms of the municipal regulations on financial misconduct procedures and criminal proceedings section 3

The regulation prescribes to whom a person must report an allegation of financial misconduct.

A staff member or councillor or member of the public can report allegations of fraud or corruption anonymously as follows:

- If against accounting officer (MM), chief Financial officer (Director Financial Services) or senior manager⁷ (Directors) the matter must be reported to Council, Provincial and National Treasury.
- If against any other official the matter must be reported to the Accounting Officer – derickw@beaufortwestmun.co.za or internal audit - roneln@beaufortwestmun.co.za or use the national fraud hotline - **0800 701 701**
- If against the Accounting Officer (MM) the matter must be reported to the Mayor – bwmmayor@beaufortwestmun.co.za
- The allegation *must* be submitted to the municipal council within seven days or at the next sitting of Council

Allegations of financial misconduct must be treated in a confidential manner.

The regulation does not prevent individuals from laying a criminal charge with the South African Police Service against any councilor/s or official/s of the municipality or

⁷ Section 56 of the Municipal Systems Act determines a Senior Manager as “a manager directly accountable to the municipal manager.”

in relation to any conduct that may constitute an offence in terms of Part 2 of Chapter 15 of the MFMA.

An official against whom an allegation of financial misconduct is made must receive an opportunity to make representations as to why he/she should not be suspended within seven days of being notified of the allegation.

Investigation Purpose and Process (Financial Misconduct)

Preliminary Investigation

If there is a reasonable indication of financial misconduct Council must refer the matter within seven days to a disciplinary board to conduct a preliminary investigation;

The disciplinary board must determine whether the allegation is founded and make a recommendation whether grounds exist to warrant a full investigation;

The preliminary investigation terminates if the disciplinary board determines the allegation is frivolous, vexatious, speculative or unfounded;

If the allegation is founded a full investigation must be conducted;

If Council does not act on recommendations by the disciplinary board, the disciplinary board may request the Western Cape Provincial Treasury or the National Treasury for assistance and a possible intervention.

Full Investigation

This must be undertaken by the disciplinary board, or could be undertaken by Western Cape Provincial Treasury or the National Treasury, but only if a Municipality or the designated official fails to investigate an allegation of financial misconduct or financial offence.

If the cost, seniority of the alleged transgressor and the seriousness or sensitivity of investigating the alleged financial misconduct, warrants such a step the investigation can be undertaken by:

- an individual with appropriate specialist expertise and who is not an official of the municipality; or
- an independent team of investigators appointed by Council in accordance with the applicable supply chain management prescripts.

An independent team of investigators appointed may include:

- a person, other than an official of the Municipality with the appropriate specialist expertise designated by Council; or

- an official of the department responsible for local government in the relevant province, designated by the department; or
- an official of the Western Cape Provincial or National Treasury, designated by the relevant treasury.

Investigation of an allegation of financial misconduct and submission of reports

Terms of reference for the investigation must be developed and submit to Council within seven days.

After completing a full investigation, the investigator must –

- Compile a report on the investigation;
- Submit the report within 30 days
- Submit its report to the Executive Mayor and the Municipal Manager together with its findings and recommendations, if applicable, regarding disciplinary steps that should be taken against the alleged transgressor; and
- Immediately inform the Speaker of the submission of the report;
- Submit a copy of the report to the Western Cape Provincial and the National Treasury.

The report of the investigator must be submitted (tabled) to Council at the first sitting after the report is completed.

If the report is amended and/or if the finding or recommendations are rejected reasons must be provided to the investigator within five days.

The investigator must inform Western Cape Provincial and National Treasury if the recommended disciplinary against the transgressor is not implemented. Western Cape Provincial and National Treasury may possibly intervene.

If disciplinary proceedings are recommended, Council must by resolution institute disciplinary proceedings:

- in the case of a Municipal Manager or Senior Manager, in accordance with the Disciplinary Codes and Procedures for Senior Managers Regulations made in terms of the Municipal Systems Act; or
- in the case of an official who is not a Municipal Manager or senior manager, in accordance with the applicable collective bargaining agreement concluded in the bargaining council established for municipalities.

If found guilty the transgressor may not be re-employed for ten years in any Municipality.

RESOLUTION

The municipality shall ensure timely, fair and complete resolution of corruption matters, perpetrators shall be held accountable, and losses recovered.

Disciplinary action

The municipality conforms to the guidelines set in the Collective Agreement on Disciplinary measures. This disciplinary procedure sets out the procedure to be followed should there be a transgression of:

- policies;
- standard of conduct;
- rules;
- procedures;
- established practices;
- any law;
- regulations;
- any condition of employment.

This disciplinary procedure is applicable to all employees excluding section 54A (Municipal Manager) and 56 (Directors) of the Municipal Systems Act appointees⁸, employees are expected to:

- Execute duties and assignments conscientiously, diligently, with dedication and to behave in a proper manner towards the municipality, fellow employees and the public;
- Comply with the municipality's policies, rules, procedures, any law, regulations or any conditions of employment;
- Perform work in accordance with reasonable and acceptable standards;

The maintenance of discipline is the responsibility and prerogative of management and the following shall be borne in mind when conducting a disciplinary inquiry:

(a) Corrective action:

In the enforcement of discipline, the emphasis shall be placed on guidance and correcting behaviour than on the imposition of punishment, but where necessary, punishment may also be used as a legitimate deterrent tool in the maintenance of discipline:

⁸ The MM and directors Disciplinary actions must be done in terms of the Local Government: Disciplinary Regulations for Senior Managers, 2010. As published in GN 344 in GG 34213 dated 21 April 2011.

(b) Uniformity/Consistency:

Discipline shall be enforced uniformly and consistently throughout the organisation.

(c) Fairness:

Disciplinary action shall always be both procedurally and substantively fair.

With regard to procedural fairness, the disciplinary procedure shall be followed as far as is reasonably possible and practicable.

With regard to substantive fairness, a fair and valid reason for disciplinary action shall always exist and shall be just and equitable, taking into consideration inter alia the circumstances of the specific offence, as well as the circumstances of the employee concerned.

(d) The time lapse between the committing of an offence and the holding of a disciplinary inquiry:

The disciplinary inquiry shall be held as soon as possible after an offence has been committed and the employee shall be allowed a reasonable period of time to prepare a case and, should the employee so choose, to arrange to be assisted by a representative of the employee's choice.

(e) Inquiry before dismissal:

No employee shall, irrespective of the seriousness of his/her offence, be dismissed before a disciplinary inquiry has been held in terms of the disciplinary procedure unless the employee clearly waives his/her rights to a disciplinary inquiry.

(f) Notification of a disciplinary inquiry:

The employee shall be notified in writing of a disciplinary inquiry. The notice of disciplinary hearing shall indicate the alleged transgression, the date and time of the inquiry as well as the place where it will be held.

(g) Progressive application of the disciplinary sanction:

Disciplinary sanctions shall be applied progressively, but, depending on the circumstances of the employee, the nature of the job, the seriousness, nature and circumstances of a specific offence, even a first offence may result in dismissal.

(h) Reprimands:

Reprimands shall be given for minor offences and issued on the spot. A record of reprimands shall be kept in a register. A reprimand shall remain valid for a period of 3 (three) months, where after it shall be removed from the register.

Where a pattern of minor offences is established, disciplinary action shall be instituted.

In the event of an employee refusing to accept a reprimand, a disciplinary inquiry shall be held. Any disciplinary action resulting from the disciplinary inquiry shall be recorded in the offender's personnel file.

(i) Written warning:

A written warning informs an employee that his or her conduct is unacceptable to management and that a further similar offence may result in more stringent disciplinary action, including dismissal.

(j) Final written warning:

A final written warning informs an employee that a further similar offence will, in all probability, result in the employee's dismissal.

(k) Demotion:

All cases of demotion or suspension without pay shall be authorised by the Municipal Manager or delegated authority. Demotion is a disciplinary step by means of which an employee is removed from the present post and assigned to an available post with a lower grading, reduced responsibility as well as an accompanying decreased salary or wage.

(l) Suspension without pay:

Any case of suspension shall be authorised by the Municipal Manager. Suspension without pay shall only be imposed if a serious offence warrants dismissal but management wishes to lessen the punishment. The following principles shall be applicable:

- The employee shall accept the suspension in writing as a reduced punishment instead of dismissal.
- If the employee refuses to accept the suspension, the employee shall be dismissed.
- A suspension shall be carried into effect as soon as possible after an offence has been committed.
- Employees shall not be suspended on off days, paid holidays or any other non-working days.

An employee shall not, except in exceptional cases, be suspended for more than ten (10) days.

(m) Dismissal:

Depending on the circumstances of the employee, the nature of the job, the seriousness, nature and circumstances of a particular offence, a first offence can result in a dismissal.

(n) Previous Offences:

Only relevant disciplinary records in the employee's personnel file shall be taken into account when disciplinary sanction determined.

A record of any disciplinary action taken against an employee shall remain valid for a period of twelve (12) months. Only offences committed within the previous twelve (12) months may be taken into consideration when disciplinary sanction for a further similar offence is determined.

(o) Completing a disciplinary report form:

The Labour Relations Officer shall be responsible for the proper completion of the disciplinary report, including the summary, in which the following information is to be furnished:

- The names of the persons present at the inquiry;;
- The approximate date on and time at which the transgression(s) was/were committed;
- The employee's rights that were explained to the employee;
- The exact chain of events;
- The employee's defence;
- The evidence given by witnesses, if applicable;
- The representations by the employee and/or the employee's representative;
- The disciplinary steps implemented or recommended;
- The comment of the employee thereon, if any

In terms of section, 57A of the Municipal Systems Act this report shall be submitted to the MEC for local government on a quarterly basis.

Recovery of losses

The Municipality shall recover all unauthorised, irregular or fruitless and wasteful expenditure from the responsible individuals in line with section 32 of the MFMA and Council's approved UIF&W policy.

Council will not write off losses without valid reasons.

All losses and consequent steps shall promptly be reported to the Auditor General and MEC in line with section 32(4) of the MFMA.

Criminal Procedures Act

Where criminal matters go to court the Municipality may request prosecutors to ask for restitution in terms of section 300 of the Criminal Procedures Act (51 of 1977).

The municipality will also recover terms of section 37D (b) (ii) of the Pension Funds Act (24 of 1956).

Civil recovery

The Municipality shall institute civil recovery proceedings to recover losses due to unlawful acts.

Individual accountability

In terms of section 173 of the Municipal Finance Management Act, the following individuals shall be held criminally liable in their individual capacity for among other things:

- Accounting officer – for deliberately or due to gross negligence not implementing certain provisions of the MFMA;
- Finance managers with delegated responsibilities – for deliberately or due to gross negligence not implementing requirements of their delegations;
- Councillors – for interfering with the implementation of the MFMA.

The municipality shall bring criminal charges against individuals who willfully corrupt the Municipality.

Contract termination

The Municipality shall cancel a contract awarded to a supplier of goods or services:

- If the supplier committed any proven corrupt or fraudulent activity during the bidding process or the execution of that contract.
- If any official or other role player committed any proven corrupt or fraudulent activity during the bidding process or the execution of that contract that benefited the supplier.

Communication of successes

In order to deter perpetrators and build confidence in the governance of the Municipality, details of all successful cases of misconduct shall be publicized. Care shall be exercised, however, not to name an alleged offender, until such time that the entire disciplinary process has been finalised, up to and including final appeal.

REPORTING

Reports will be quarterly submitted to the Municipal Public Accounts Committee (MPAC) and Council.

In terms of the Municipal regulations on financial misconduct procedures and criminal proceedings, the Mayor or Accounting Officer shall table an allegation of financial misconduct before the council no later than 7 days after receipt thereof or at the next sitting of the council.

Speaker shall report on a monthly basis to Council on:

- How many misconduct issues were brought to the attention of Councillors and how these are being addressed;
- All actions being taken to address fraud and corruption.

Municipal Manager shall report on a monthly basis to Council on the overall operations of financial management and all reported instances of fraud and corruption, including actions that have been taken.

The Municipal Manager (or the council if the accounting officer is involved) shall report alleged financial offences to the South African Police Service.

When investigating a Councillor, the Speaker shall submit completed investigative reports to council and make it available to the public. In five days from submitting it to the council, the report shall also be submitted to the:

- MEC for finance in the province;
- MEC for local government in the province;
- Minister of Finance; and
- Minister responsible for local government

The information document on any alleged financial misconduct or offence shall within 5 days of finalizing investigation documents be reported to:

- The Executive Mayor.
- The MEC for local government in the province.
- The national department responsible for local government.
- The Western Cape Provincial Treasury, National Treasury and the Auditor General.

All suspensions, disciplinary and criminal proceedings for financial misconduct shall be reported in the Municipality's annual report.