

SOL PLAATJE MUNICIPALITY

POLICY DIRECTIVE REGARDING FORBIDDEN ACTIVITIES

Purpose

A policy directive on forbidden activities and how to deal with cases which are considered financial misconduct under the Municipal Finance Management Act, No. 56 of 2003, S164.

Background

As a result of various reasons very often municipalities have found themselves faced by situations of financial misconduct in the management of its finances.

To address the situation, the Municipal Finance Management Act, Number 56 of 2003, S164, stipulates that:

→ The Sol Plaatje Municipality or any of its entities may not:

- Conduct any commercial activities otherwise than in the exercise of the powers and functions assigned to it in terms of the Constitution or national or provincial legislation; or outside the borders of the Republic.
- Provide a municipal service in an area outside its jurisdiction except with the approval of the council of the municipality having jurisdiction in that area.
- Make loans to councillors or officials of the municipality, directors or officials of an entity or members of the public.

Consultation: Municipal Manager

Was discussed and approved.

Contact Person:

Chief Financial Officer-053 830 6511

RECOMMENDATION

That in the event of financial misconduct perpetrated at Sol Plaatje Municipality the following will apply:

Investigation of alleged financial misconduct

- The municipality shall investigate allegations of financial misconduct against the accounting officer, the chief financial officer, a senior manager or other official of the municipality unless those allegations are frivolous, vexatious, speculative or obviously unfounded; and
- If the investigation warrants such a step, institute disciplinary proceedings against the accounting officer, chief financial officer or that senior manager or other official in accordance with systems and procedures referred to in section 67 of the Municipal Systems Act, read with Schedule 2 of that Act.