

SOL PLAATJE LOCALMUNICIPALITY



Fraud Prevention and Anti-Corruption Plan

*Reviewed and Adopted by Council on the 30th May 2025
in terms of Council Resolution C53/05/25*

Fraud Prevention and Anti-Corruption Plan: Review and Adoption

This Fraud and Anti-Corruption Plan of the Sol Plaatje Local Municipality has been reviewed and adopted by Council together with the Fraud Prevention and Anti-Corruption Policy in accordance with the following processes:

Date of Review and Adoption	Council Resolution
30 May 2025	C53/05/25
14 October 2020	C175/10/20
09 June 2010	C16810

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1. INTRODUCTION

- 1.1 Sol Plaatje Local Municipality's (Municipality hereafter) Fraud Prevention and Anti-Corruption Plan is the culmination of its Fraud Prevention and Anti-Corruption Strategy and Policy. The Fraud Prevention and Anti-Corruption Plan details the steps which have been and will continually be taken by the Municipality to promote ethical conduct and address fraud and corruption.

2. INTERNAL FOCUS

2.1 SYSTEMS, POLICIES, PROCEDURES AND INTERNAL CONTROLS

- (a) Fraud prevention and anti-corruption measures, including internal controls, are to a smaller or larger degree part of nearly all of the Municipality's policies. All stakeholders of the Municipality are expected to comply with its policies and procedures. All Sol Plaatje Municipality's policies are available on the intranet for internal stakeholders and on the Municipality's website for external stakeholders. It is the responsibility of all stakeholders to acquaint themselves with the various policies applicable to them.
- (b) In addition to the policies of the Municipality, procedures and internal controls are created by management to mitigate fraud and corruption risks. These procedures are communicated by email and by supervisors to municipal officials without email access. All municipal officials are expected to comply with the procedures.

2.2 COUNCILLORS

- (a) All policies, which will include fraud prevention and anti-corruption measures, must be approved by Council, enabling Councillors to gain

insight and provide input into the control environment of the Municipality.

- (b) A report containing all approved deviations in terms of the Supply Chain Management Policy must be submitted to Council. Councillors should inform the Municipal Manager of allegations made by their constituents of fraud and/or corruption involving the Municipality. It is the responsibility of Council to initiate investigations into allegations of fraud and/or corruption against Councillors and, depending on the outcome of the investigation, to institute disciplinary action against the implicated Councillors in accordance with the Local Government: Municipal Systems Act (No. 32 of 2000) and the Municipality's policies.

2.3 STAFF

2.3.1 Employment Practices

- (a) The Municipality is committed to developing human resources systems, policies and procedures that incorporate fraud prevention and anti-corruption practices.
- (b) Employee focussed fraud prevention and anti-corruption measures should be emphasised from the point of advertising a vacant position, recruitment, specific employment conditions, performance management and even exit procedures upon resignation or retirement. The approaches included in the policies of the Municipality are described below:

2.3.2 Advertising for vacant positions

- (a) Specific provisions are included when advertising positions to indicate to applicants that only people with the highest levels of integrity will be considered and that submission to appropriate pre-employment screening processes are obligatory for consideration in any position.

2.3.3 Pre-employment screening and probity

- (a) Pre-employment screening procedures are applicable to all employees, regardless of level, including employees acting in specific positions, seconded employees and temporary and contract workers. Relevant probity will be included in all employee screening processes. Verified qualifications, experience and previous or pending disciplinary action will also be used as evaluation criteria.

2.3.4 On-going financial disclosure and lifestyle audits

- (a) The Municipal Manager and managers appointed in terms of Section 56 of the Municipal Systems Act (No. 32 of 2000), will be obliged to declare specific personal assets and private business interests.

2.3.5 Declaration of private work by officials

- (a) Employees who perform private work will, in accordance with Schedule 2, Section 4 (2)(c) of the Municipal Systems Act (No. 32 of 2000) and the Staff Regulations of 2021 (No. 45181), be obliged to declare in full a description and nature of the work, hours of work, name of business for whom they work or name of own business, that there is no conflict of interest with their job content as officials and that the nature of the work does not compromise their judgement and integrity as an official of the Municipality.

2.3.6 Employee induction programmes

- (a) Employee induction is an opportunity to introduce employees to the culture and ethos of the Municipality. Efforts must be made to ensure that organisational strategy, professional ethics and conduct standards are included in employee induction. Steps will be developed to include seconded employees, interns, temporary and contract workers in relevant aspects of induction programmes.

2.3.7 Obligatory leave periods

- (a) To limit the risk of over-worked employees who might become lackadaisical leading to non-compliance with internal controls and the risk of unethical individuals monopolising specific tasks, all employees are compelled to take annual leave in terms of paragraphs 8.1.3 and 8.1.4 of the South African Local Government Bargaining Council (SALGBC) Main Collective Agreement.

- (b) Directors/Managers must ensure that appropriate controls are put in place when employees are unable to take leave for extended periods of time due to work commitments.

2.3.8 Exit procedures

- (a) The exit procedures for employees leaving Sol Plaatje Municipality consist of the return of assets and an exit interview. Exit interviews include the assessment of the perceptions of the ethics and conduct standards within the Municipality. This will assist in identifying areas for improvement.

2.4 DISCIPLINE

2.4.1 The Municipality will deal with instances of actual or attempted fraud and/or corruption by its employees in accordance with the South African Local Government Bargaining Council (SALGBC) Disciplinary Procedure Collective Agreement.

- (a) Additional measures will include:
 - (i) Communication of specific disciplinary standards and prohibited conduct relating to fraud and corruption.
 - (ii) Ensuring that disciplinary measures are applied consistently.
 - (iii) Ongoing training of managers in the application of disciplinary measures available to deal with fraud and corruption.

- (iv) Where managers are found to be inconsistent and/or inefficient in the enforcement of discipline, intervention from the relevant director is required and corrective action must be instituted. Corrective action may include training of managers in disciplinary measures for first time failures and disciplinary action against the managers themselves for repeated failures in their duty to uphold discipline.
- (v) Publication (within the permissible legal framework) of the outcomes and sanctions of disciplinary actions, including lessons learned, to serve as a deterrent.

2.4.2 CODE OF CONDUCT FOR MUNICIPAL STAFF MEMBERS

- (a) A Code of Conduct for Municipal Staff Members is clearly stipulated in Schedule 2 of the Municipal Systems Act (No. 32 of 2000). Newly appointed permanent and certain temporary staff receive a copy of the Code of Conduct with their employment contracts.
- (b) Disciplinary measures will be instituted against staff who contravene the Code of Conduct in accordance with legislation and the policies of Sol Plaatje Municipality.

2.3.4. CODE OF ETHICS FOR MUNICIPAL STAFF

- (a) The Municipality has adopted a Code of Ethics to formalise the ethical behaviour expected of its staff.
- (b) Disciplinary measures will be instituted against staff who contravene the Code of Ethics, in accordance with legislation and the policies of Sol Plaatje Municipality.

2.5 FINANCE

- Finance policies and procedures are necessary to ensure appropriate internal control over financial management and reduce fraud and corruption risks.
- The Local Government: Municipal Finance Management Act (No. 56 of 2003) and Treasury Regulations assign financial management responsibilities to all municipal officials. In addition, the financial policies, procedures and other prescripts of the Municipality prescribe various controls, which, if effectively implemented and adhered to, would limit fraud and corruption within the Municipality.
- The financial policies of the Municipality contain, among other aspects, the following fraud prevention and anti-corruption controls:

2.5.1 Prevention controls, consisting of:

- (a) Authorisation Controls – require that all transactions must be authorised or approved by an appropriate responsible person and that the limits for these authorisations are specified in the delegations of authority of the Municipality.
- (b) Physical Controls – procedures and security measures designed to ensure that access to assets / information is limited to authorised personnel and that the assets / information cannot be removed without authorisation.

2.5.2 Detection controls, consisting of:

- (a) Arithmetic and accounting controls – controls within the recording function which ensure that transactions to be recorded and processed have been authorised, are complete, correctly recorded and accurately processed.

- (b) Physical controls – detects and/or records who gained access to or are in possession of assets / information.
- (c) Supervision – supervision by responsible officials of day-to-day transactions and the recording thereof.
- (d) Management Information – review of management accounts and budgetary controls. These controls are normally exercised by management outside the day-to-day routine of the system.

2.5.3 Segregation of duties

- (a) One of the primary means of control is the separation of responsibilities or duties that would, if combined, enable one individual to record and process a complete transaction, thereby providing him/her with the opportunity to manipulate the transaction irregularly and commit fraud and/or corruption.
- (b) Segregation of duties reduces the risk of intentional manipulation or error and increases the element of oversight.
- (c) Functions that should be separated include authorisation, execution, custody, recording and, in the case of computer-based systems, systems development and daily systems operations.
- (d) In computerised systems, the access granted to officials according to their responsibilities should be duly authorised, job specific, limited and monitored on a regular basis to ensure their level of access is still relevant.
- (e) Placed in context of fraud prevention and anti-corruption, segregation of duties lies in separating either the authorisation or the custodial function from the oversight function.

2.6 INFORMATION

- 2.6.1 Confidentiality and the use of information for personal gain are addressed in the employment contracts, Code of Conduct and Code of Ethics for Municipal Staff, in the Code of Conduct for Councillors and in municipal contracts entered into with suppliers.
- 2.6.2 An Access to Information manual has been created and is updated regularly. The manual is accessible to the public on the Municipality's website and on the intranet for municipal officials. A designated information officer and deputies have been appointed to process requests for information in terms of the Promotion of Access to Information Act (No. 2 of 2000).
- 2.6.3 The information policies will be revised as and when required with a specific focus on the electronic security measures to ensure it is up to date with the changes in technology.
- 2.6.4 In addition to the above, the following measures will be undertaken by the Municipality:
- (a) Sensitising all municipal officials on a regular basis to the fraud and corruption risks associated with information security and the utilisation of computer resources, in particular access control.
 - (b) Ensure that systems are developed to limit the risk of manipulation of computerised data.
 - (c) Communiqués will be provided to municipal officials on the management of intellectual property and confidential information.
 - (d) Regular communiqués to municipal officials pointing out information policies and the implications for the Municipality (e.g. loss of data, fines) and the official (e.g. disciplinary action, non-compliance).

- (e) Regular reviews of information and computer security to identify areas for improvement.

2.7 PHYSICAL ASSETS

- 2.7.1 Physical assets are critical to the Municipality's ability to deliver on its mandate. An asset register is maintained electronically with at least one asset count biannually. Photographs of assets are taken and included in the asset register.
- 2.7.2 The responsibility to safeguard an asset is assigned to a person or department, who may be held liable for loss of, or damage to, the asset. An Asset Loss Control Committee has been established, which investigates losses and recommends whether disciplinary and/or recovery procedures should be instituted against municipal officials responsible for the loss.
- 2.7.3 The Municipality has implemented a fingerprint access control system at its main premises to control access to the buildings and assets inside. The roll-out of the system to other premises will be considered on a cost-benefit analysis and availability of funds in the budget.
- 2.7.4 The Asset Management Policy of the Municipality also contain the following fraud prevention and anti-corruption measures:
 - (a) Criteria for classifying items as either assets or expenses.
 - (b) Internal control procedures over assets that must be followed; Security and other measures for control of assets will continuously be reviewed to identify areas for improvement.

2.8 RISK MANAGEMENT

- 2.8.1 Fraud and corruption risks will be identified and assessed by management periodically as part of the risk identification and assessment processes facilitated by the Risk Management Unit. It remains the responsibility of management to continuously identify new fraud and corruption risks or changes to existing fraud and corruption risks.
- 2.8.2 The management of fraud and corruption risks form part of the risk management responsibilities of risk owners and risk action owners.
- 2.8.3 The identification of fraudulent and/or corrupt incidents which occurred at the Municipality is a standing item on the agenda of Fraud and Risk Management Committee meetings. Incidents of fraud and/or corruption will be followed up by the Risk Management Unit to identify control weaknesses or any type of process deficiencies and determine whether the initial impact, likelihood and control ratings of fraud and corruption risks need adjustment.
- 2.8.4 Other detailed information about the Municipality's Risk Management can be found in the Risk Management Strategy and Policy.

2.9 INTERNAL AUDIT

- 2.9.1 The Chief Audit Executive directs the activities of Internal Audit Services in relation to fraud and corruption, mainly informed by the risk-based audit plan. It is thus imperative that management identifies fraud and corruption risks for inclusion in the risk register.
- 2.9.2 The Municipal Manager may request Internal Audit Services to audit areas prone to fraud and/or corruption or to provide assurance on the fraud prevention and anticorruption measures of the Municipality that is not included in the risk-based audit plan.

2.9.3 Management, Directors or the Municipal Manager, as the case may be, must act on internal audit findings related to fraud and/or corruption. Findings and recommendations from an internal audit can be used in the evaluation and improvement of fraud prevention and anti-corruption measures.

3. EXTERNAL FOCUS

3.1 EXTERNAL AUDIT

3.1.1 An annual external audit is conducted by the Auditor-General of South Africa in accordance with applicable legislation. The Auditor-General's audit will include a focus on fraud and corruption risks, as it impacts on the integrity of the financial statements and compliance with legislation.

3.1.2 The Municipality may also contract a private external auditor to audit areas prone to fraud and/or corruption or to provide assurance on the fraud prevention and anticorruption measures of the Municipality.

3.1.3 Management, Directors or the Municipal Manager, as the case may be, must act on external audit findings related to fraud and/or corruption. Findings and recommendations from an external audit can be used in the evaluation and improvement of fraud prevention and anti-corruption measures.

3.2 COMMUNITY / PUBLIC

3.2.1 The public and community organisations have an important role to play in identifying and reporting fraudulent and/or corrupt acts committed by other members of the public (including businesses) in their dealings with Sol Plaatje Municipality as well as corrupt and/or fraudulent conduct by municipal officials and/or Councillors in their dealings with the public.

3.3 CORRUPTION AND FRAUD HOTLINE

The National Corruption and Fraud Hotline number, 0800 601 011, for the anonymous reporting of cases of corruption and/or fraud, will be included in the contact numbers listed and it will be displayed on the Municipal website along with the important contact numbers.

3.4 WARD COMMITTEES

3.4.1 It is essential for good governance that citizens are actively involved in the processes with regard to planning, budgeting, monitoring and evaluation of programmes/projects. Ward committees are regarded as the most suitable vehicles to promote good governance at local government level.

3.4.2 Ward Committees should identify and report incidents of fraud and/or corruption to the Municipality but are also at risk of providing a platform to its members for the perpetration of fraud and/or corruption. Therefore, Ward Committee Rules, including a Code of Conduct for Ward Committee Members, are in place.

3.5 SUPPLIERS

3.5.1 Supply chain management is a high-risk area for fraud and corruption. The Contract Management Policy and the Supply Chain Management Policy, which includes a Code of Conduct for Supply Chain Management Practitioners and other Role Players, are in place and will be reviewed regularly.

3.5.2 The main fraud prevention and anti-corruption measures included in the abovementioned policies are:

- (a) The range of supply chain management processes that Sol Plaatje Municipality may use;
- (b) When a particular process must be used;
- (c) Procedures for each type of process;
- (d) Open and transparent pre-qualification processes for tenders and other bids;
- (e) Competitive bidding processes;
- (f) Bid documentation, advertising of and invitations for contracts;
- (g) Procedures for:
 - (i) opening, registering and recording of bids in the presence of interested parties;
 - (ii) evaluation of bids;
 - (iii) negotiating the final terms of the contracts; and
 - (iv) approval of bids;
- (h) Screening processes and security clearances for prospective contractors on tenders or other bids above a prescribed value;
- (i) Compulsory disclosure of conflicts of interests from municipal officials involved with supply chain management and suppliers competing for contracts;
- (j) The barring of persons from participating in tendering or other bidding processes who have:
 - (i) been convicted of fraud or corruption during the past five years; or
 - (ii) wilfully neglected, or failed to complete, or failed to comply, with a government contract during the past five years; or
 - (iii) tax matters that are not cleared with SARS.
- (k) Procedures for the combating of fraud, corruption, favouritism and unfair and irregular practices in supply chain management.
- (l) Loss recovery in cases of fraud and/or corruption.
- (m) Clear distinction between the duties of the different role-players involved in the acquisition process (separation of duties).

4. ENFORCEMENT

4.1 REPORTING

4.1.1 ENCOURAGING REPORTING

- (a) A culture of reporting fraud and corruption and an ethical culture are intertwined. The Municipality has implemented a Code of Ethics for Municipal Staff, which also addresses fraudulent and corrupt behaviour and the reporting of unethical conduct. The implementation will be followed by awareness campaigns targeting all municipal officials.
- (b) In addition, provisions for the protection of whistle blowers have been included in the Fraud Prevention and Anti-Corruption Policy and will be implemented by the Municipality to give whistle blowers assurances with regard to their rights and how they will be protected should they report fraud and/or corruption.

4.1.2 ENABLING REPORTING

- (a) The contact details of Directors, the Municipal Manager and Councillors are available on Sol Plaatje Municipal website. Members of the public, suppliers and municipal officials may contact them anonymously to report instances of fraud and/or corruption.
- (b) The contact details of municipal officials in the Supply Chain Management department are included in advertisements and supplier documentation. A supplier may contact the number to report fraud and/or corruption in the Municipality's supply chain process.
- (c) Formal avenues for anonymous reporting will be explored and established.

4.1.3 REPORTING TO SAPS

- (a) Cases of fraud and/or corruption will be assessed by either the disciplinary panel, Council Committee, Internal Audit Services or Legal Services, as the case may be, to determine whether it must be reported to the South African Police Service (SAPS) in terms of Section 34 of the Prevention and Combating of Corrupt Activities Act (No. 12 of 2004) or Section 10 of the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings (No. 37699).
- (b) Even if there is no legal requirement to report, the Municipal Manager or Speaker will consider the circumstances pertaining to the case to determine whether it should be reported to the SAPS or not in order to maintain a culture of zero tolerance towards financial misconduct.

4.2 INVESTIGATION

4.2.1 MUNICIPAL OFFICIALS

- (a) Allegations of fraud and/or corruption levelled against a municipal official will be escalated to the Municipal Manager who, if there is reasonable cause to believe that an act of fraud or corruption has been committed, must refer the matter within 7 calendar days to the disciplinary panel announced by the Municipal Manager for a preliminary investigation. This could include external Service Providers.
- (b) The disciplinary panel must conduct a preliminary investigation to determine whether or not the allegation has any merit and subsequently make a recommendation to Municipal Manager as to whether sufficient grounds exist to warrant a full investigation into the allegation.

- (c) If the disciplinary panel determines that there is merit in the allegation and the Municipal Manager is convinced by the recommendation, a full investigation must be conducted by the disciplinary panel.
- (d) When the investigation has been finalised, the disciplinary panel must report to Municipal Manager and table the report of the investigation.

4.2.2 COUNCILLORS

- (a) The Speaker, or Executive Mayor, if the Speaker is implicated, must deal with allegations of fraud, corruption and other misconduct against Councillors.
- (b) The Speaker or Executive Mayor, as the case may be, will conduct a preliminary investigation to determine whether there is a prima facie case to answer.
- (c) Should the Speaker or Executive Mayor, as the case may be, be satisfied that there is a prima facie case to answer, the Speaker or Executive Mayor will call a meeting of the committee selected by Council either in general or specifically for that purpose to consider the matter.

4.3 DISCIPLINARY ACTION

4.3.1. MUNICIPAL OFFICIALS

- (a) Investigations that conclude that fraud and/or corruption took place or was attempted, will be forwarded to the Human Resources Department for the institution of disciplinary steps against the alleged offender.

- (b) Offenders who are municipal officials will be disciplined in accordance with the Labour Relations Act (No. 66 of 1995) and the South African Local Government Bargaining Council (SALGBC) Disciplinary Procedure Collective Agreement.

4.3.2. COUNCILLORS

- (a) The Municipal Council must recommend appropriate sanctions to be imposed against Councillors implicated in fraud, corruption or other misconducts. The Council must consider the committee's recommendation and vote on an appropriate sanction against the Councillor.

4.4. LEGAL ACTION

- (a) The results of investigations that conclude that fraud and/or corruption were/was committed will be forwarded to the relevant budget holder who suffered a loss due to the fraud and/or corruption.
- (b) It is the responsibility of the budget holder to consult with Human Resources and Legal Services to determine appropriate legal action to be instituted. Legal action to recover losses, if determined to be cost effective, will be instituted against those involved (internal and external) with the fraud and/or corruption.
- (c) Cases of fraud and/or corruption reported to the SAPS should be investigated further by the SAPS. The Municipality will furnish all relevant evidentiary material of its own investigation and will assist the SAPS and the Department of Public Prosecutions in any way it can to ensure a successful prosecution and conviction of the offender(s).

- (d) Persons or entities involved in fraud or corruption will be reported to National Treasury for blacklisting.

5. IMPLEMENTATION

5.1 COMMITMENT

- (a) The Fraud Prevention and Anti-Corruption Strategy, Policy and Plan will be submitted for Council approval as and when required. During this process, external stakeholders may comment on the documents.
- (b) Internal stakeholders may provide comments throughout their interaction with the Risk Management Unit.
- (c) Feedback and suggestions received from stakeholders will be considered during the annual revision of the Strategy, Policy and Plan.

5.2 AWARENESS AND TRAINING

- (a) A program to create a culture of awareness about fraud prevention and anticorruption will consist of four parts, namely: leadership; education / training; communication; and intervention.

5.3 . LEADERSHIP

- (a) The Municipal Manager and Directors must set an example from the top. They must adhere to the Code of Conduct and Code of Ethics for Municipal Staff Members and comply with the policies of the Municipality.

- (b) They must give effect to and consider the Fraud Prevention and Anti-Corruption Strategy, Policy and Plan in the decisions they take, ensuring that their subordinates understand the fraud prevention and anti-corruption aspects that were considered in reaching the decision.

5.4 EDUCATION / TRAINING

5.4.1 The ongoing creation of a culture of awareness amongst municipal officials is the responsibility of all managers.

5.4.2 Educational approaches to create awareness amongst municipal officials will address the following issues:

- (a) Awareness of the Fraud Prevention and Anti-Corruption Strategy, Policy and Plan.
- (b) Application of professional ethics in the work environment.
- (c) Awareness of the current systems, policies and procedures relating to fraud and corruption, including whistle-blowing.
- (d) Encouraging officials to blow the whistle on fraud and corruption within their work environments and informing them of their rights and protections as whistle blowers.
- (e) Encouraging officials to understand specific fraud and corruption related risks to which the Municipality may be exposed, thus enhancing the prospect of detecting irregularities earlier.
- (f) Circulation of a list of frequently asked questions and answers regarding typical fraud and corruption issues.

5.5 COMMUNICATION

5.5.1 The contents of the Fraud Prevention and Anti-Corruption Strategy, Policy and Plan will be communicated to the stakeholders of the Municipality to facilitate a culture where all stakeholders strive to contribute towards making it a success.

5.5.2 Communication approaches that will be considered by Sol Plaatje Municipality are the following:

- (a) An official launch of the Fraud Prevention and Anti-Corruption Strategy, Policy and Plan aimed at all stakeholders.
- (b) A suggestion box for municipal officials and other stakeholders to make submissions for enhancements of the Fraud Prevention and Anti-Corruption Strategy, Policy and Plan.
- (c) Publishing the Fraud Prevention and Anti-Corruption Policy and its successes in the Annual Report.
- (d) Making the Fraud Prevention and Anti-Corruption Strategy, Policy and Plan available on the Municipality's intranet and website.
- (e) Notifying stakeholders of changes to the Fraud Prevention and Anti-Corruption Strategy, Policy or Plan.

5.6 INTERVENTION

5.6.1 The fraud prevention and anti-corruption culture of the Municipality will be monitored to determine the cultural awareness of the municipal officials. Shortcomings will be addressed through education, communication or both to reach the desired cultural awareness.

5.7 EXECUTE

5.7.1 Directors or managers will assign timeframes for implementation and hold municipal officials accountable for implementing the Fraud Prevention and Anti-Corruption Strategy and Policy in their areas of operation.

5.7.2 The execution of certain fraud prevention and anti-corruption activities will be included in the risk management implementation plan.

5.8 MONITORING

5.8.1 Progress with the implementation of the Fraud Prevention and Anti-Corruption Strategy and Policy will be monitored continuously by the Risk Management Unit, monthly by Management, Directors and the Municipal Manager and quarterly by the Joint Audit and Risk Management Committee and Fraud and Risk Management Committee.

5.8.2 Progress with the implementation of action plans to mitigate fraud and corruption risks will be reported on as part of the progress reports on risk actions.

6. CONFIDENTIALITY

6.1 To ensure the confidentiality of information during investigations, the following protocols will be followed:

- (a) Only the investigator may keep the docket of the investigation and must store it in a place that only he/she can access.
- (b) The investigator must authorise people who require information with regard to the investigation before they may access the docket of the investigation.
- (c) Information that may identify the source that reported the alleged fraud and/or corruption must be removed or blocked when other authorised people view the docket.
- (d) The list of people co-operating with the investigator may not be disclosed during and subsequent to the investigation, unless it is clear

that the list will only be used to thank and/or reward those who co-operated for their assistance with the investigation and not to victimise them.

- (e) Potential witnesses interviewed by the investigator may only be made privy to information pertaining to the investigation to the extent necessary in order for them to furnish relevant information and evidence.
- (f) The alleged perpetrator's identity may only be disclosed to the affected budget holders, their directors and the Municipal Manager when sufficient proof of wrongdoing has been established.

7. PROTECTION OF WHISTLE BLOWERS

- 7.1 The protection of whistle blowers will be handled on a case-by-case basis in accordance with the processes outlined in the Fraud Prevention and Anti-Corruption Policy.
- 7.2 Internal whistle blowers have access to the contact details of the Municipality's management, Directors, Municipal Manager, Executive Mayor and Speaker and may contact the relevant person in order to report victimisation and/or threats.
- 7.3 External whistle blowers have access to the contact details of Directors, the Municipal Manager, Executive Mayor, Speaker, Ward Councillors all of whom may be contacted in order to report victimisation and/or threats.

8. OFFENCES

The offences listed in this section highlight known and common acts of fraud and corruption. This list is not exhaustive (not only limited to these examples) and any other act that complies with the definition of fraud or corruption (refer to definitions in the Fraud Prevention and Anti-Corruption Policy) will constitute the offence/offences of fraud and/or corruption.

8.1 OFFENCES CONSTITUTING FRAUD

- (a) Fraud refers to the unlawful and intentional making of a misrepresentation / deceit resulting in actual or potential prejudice to the Municipality.
- (b) Additionally, prejudice does not refer to financial loss only, but to any harm or loss, be it proprietary or non-proprietary. Consequently, if an act results in no financial loss (or even financial gain) to the Municipality, but for example results in damage to the Municipality's reputation, it can still constitute the crime of fraud.
- (c) **Municipal officials:** the following offences constitute fraud:
 - (i) Claim travel expenses for a trip to a work-related function but include the distance of sightseeing and recreational trips along the way in the travel claim.
 - (ii) Deviating from the fastest / most efficient route when using a municipal vehicle in order to make non-work-related stops along the way.
 - (iii) Use of fuel cards for private vehicles.
 - (iv) Use of municipal vehicles despite receiving a vehicle allowance that is sufficient to cover the actual travelling expenses.
 - (v) Requesting the Municipality to pay for the attendance of meetings, conferences and functions, without any intention or plan to derive value for the Municipality from such attendance. (i.e. vacationing / entertaining at the Municipality's expense)
 - (vi) Use of municipal assets for non-work-related purposes, including:
 - (vii) unauthorised travel with vehicles.
 - (viii) using computers and the internet for unauthorised purposes.
 - (ix) printing personal or private business-related documents.
 - (x) performing private work.
 - (xi) Claim overtime for time not actually worked.

- (xii) Unauthorised absence from work without declaring the time not worked, while still accepting payment based on the perceived work hours.
- (xiii) False or inaccurate information supplied in a CV.
- (xiv) False or inaccurate information supplied for performance evaluation.
- (xv) Assistants electronically approve / authorise transactions using the manager's account details, without proper delegation or expressed permission from the manager.
- (xvi) Not declaring private work.
- (xvii) Not declaring any conflicts of interest when asked to do so and then proceeding to take part in discussions to influence opinion or vote on matters in which the municipal official does have a conflict of interest.
- (xviii) Intentionally splitting orders into smaller quantities or values to avoid having to follow a more stringent procurement process.
- (xix) Informing a supplier of the lowest quote received thus far, to enable the supplier to quote the lowest and receive the order.
- (xx) Developing specifications in such a manner with the intention to suit a particular supplier.
- (xxi) Not declaring interests in entities that supply goods and/or services to the Municipality.
- (xxii) Misrepresenting the contract performance and/or percentage completion of a contract of a supplier.
- (xxiii) Approving a goods received note which does not correspond with the actual quantity and quality delivered.
- (xxiv) Intentional mismanagement / postponement to enable emergency procurement.
- (xxv) Intentional over-ordering of inventory
- (xxvi) Using sick leave when the municipal official is not really sick.
- (xxvii) Faking injuries to claim for medical incapacity or to obtain injury on duty leave.
- (xxviii) Applying for and receiving study bursaries, without any intent or commitment to complete the studies.

- (xxix) Supplying false information for performance evaluations.
- (xxx) Clock in and out for colleagues.
- (xxxi) Requesting a member of the public to pay the official in his/her personal capacity for the delivery of a service, in addition to or instead of the Municipality.
- (xxxii) Using grant funding or donations in a manner that contravenes the conditions attached to the funding.
- (xxxiii) "Borrowing" of petty cash.
- (xxxiv) Intentionally providing misleading information to the public.
- (xxxv) Using the municipal administration's communication function for political messages.
- (xxxvi) Using the municipal administration's resources for political activities.

- (xxxvii) Intentionally providing misleading information to the public.

8.2 OFFENCES CONSTITUTING CORRUPTION

- (a) Both the person receiving and giving unauthorised gratification commits the offence of corruption, which therefore includes the public. This section will however only focus on offences of corruption which relate to municipal officials and Councillors.

- (b) A municipal official accepts unauthorised gratification (bribe) from a member of the public, another municipal official, a supplier, a Councillor or any other person to:
 - (i) award a contract to a particular supplier.
 - (ii) award a grant to a particular entity or person.
 - (iii) approve an application for an indigent subsidy, although the person does not qualify.
 - (iv) fast track an application for a certificate or licence, even if the application meets all criteria and the certificate or licence would have been awarded anyway.

- (v) issue a certificate or licence, which should not have been issued.
 - (vi) ignore illegal acts or breaches of contract, licence or other agreements, which the municipal official should have reported or acted upon.
 - (vii) allocate municipal resources for political functions.
 - (viii) allocate municipal resources to a certain area, whether for service delivery, upgrading or construction of infrastructure or any other municipal function.
 - (ix) supply information on competing bids to a supplier.
 - (x) allow unauthorised persons to enter municipal premises.
 - (xi) perform a service for a member of the public at a reduced rate.
 - (xii) approve refunds to clients.
 - (xiii) support the selling/leasing of municipal land and/or buildings to developers.
 - (xiv) sell municipal assets below market value.
 - (xv) interfere in public matters.
 - (xvi) make a certain decision or delay a decision.
 - (xvii) provide information to another person.
- (c) A Councillor accepts unauthorised gratification (bribe) from a member of the public, a municipal official, a supplier, another Councillor or any other person to:
- (i) vote a particular way.
 - (ii) convince other Councillors to vote a particular way.
 - (iii) interfere in matters of the municipal administration.
 - (iv) pressure a municipal official or officials to award a contract to a particular supplier.
 - (v) pressure a municipal official or officials to ignore illegal acts or breaches of contract, licence or other agreements, which the municipal official should report or act upon.

8.1.1 ACCESSORY TO CRIMES OF FRAUD AND CORRUPTION

- (a) Without committing acts that constitute fraud or corruption themselves, municipal officials and Councillors could be accessories to the crimes by:
 - (i) not reporting acts of fraud and/or corruption as required by legislation or policies of the Municipality.
 - (ii) destroying, altering (including removing and/or adding information), mutilating or falsifying evidence, including electronic records,
 - (iii) allowing acts of fraud and/or corruption to continue without instituting corrective action.
 - (iv) obstructing investigations into fraud and/or corruption.

9. REVIEW AND ADOPTION

- 9.1 The Fraud Prevention and Anti-Corruption Plan must be reviewed and approved by Council as and when required.
- 9.2 This Fraud Prevention and Anti-Corruption Plan came into effect from the date of Council adoption.