

MATATIELE LOCAL MUNICIPALITY



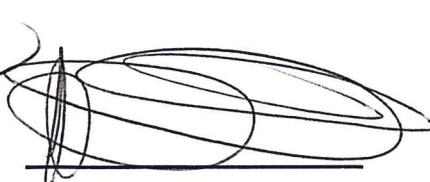
MATATIELE
LOCAL MUNICIPALITY

GIFTS POLICY FOR OFFICIALS

NO 15 OF 2016/2017
CR 945/30/05/16



DR. DCT NAKIN
MUNICIPAL MANAGER



CLLR. MM MBEDLA
MAYOR

Authority	Date
HOD Approval	16 MAY 2016
MM Approval	23 MAY 2016
Council Approval	30 MAY 2016
Date of next Review	MARCH 2017

Approval of Policy

Please note that the implementation of the policy contained in this document is subject to approval and signing off by all relevant Heads and/or Committees, including but not limited to:

- Municipal Manager; and
- Municipal Council.

GIFT POLICY FOR OFFICIALS

1. INTRODUCTION

The purpose of this policy is to regulate the declaration of offering of business courtesies and gifts received by employees of the Municipality of Matatiele

This policy applies to all employees of the Municipality and must be read concomitant with:

- (a) Schedule 2 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) and more specifically item 8 thereof;
- (b) the Municipality's Supply Chain Management Policy and more specifically paragraph 47 thereof; and
- (c) the Municipality's Fraud Prevention Plan and more specifically paragraphs 1.1 to 1.5 thereof.

2. BACKGROUND

2.1 Schedule 2 of the Systems Act addresses rewards, gifts and favours to municipal officials.

2.2 Item 8 of Schedule 2 of the act reads as follows:

"8. Rewards, gifts and favours.—

- (i) *A staff member of a municipality may not request, solicit or accept any reward, gift or favour for —*
 - (a) *persuading the council of the municipality, or any structure or functionary of the council, with regard to the exercise of any power or the performance of any duty;*
 - (b) *making a representation to the council, or any structure or functionary of the council;*
 - (c) *disclosing any privileged or confidential information; or*
 - (d) *doing or not doing anything within that staff member's powers or duties.*
- (ii) *A staff member must without delay report to a superior official or to the speaker of the council any offer which, if accepted by the staff member, would constitute a breach of subitem (i)."*

2.3 The Municipality's Policy addresses inducements, rewards, gifts and favours to municipal officials and other role players.

2.4 Paragraph 47 of the Policy reads as follows:

“47. Inducements, rewards, gifts and favours to municipal officials and other role players

- (i) No person who is a provider or prospective provider of goods or services, or a recipient or prospective recipient of goods disposed or to be disposed of may either directly or through a representative or intermediary promise, offer or grant –
 - (a) any inducement or reward to the Municipality for or in connection with the award of a contract; or*
 - (b) any reward, gift, favour or hospitality to any official; or any other role player involved in the implementation of this Policy.**
- (ii) The accounting officer must promptly report any alleged contravention of subparagraph (i) to the National Treasury for considering whether the offending person, and any representative or intermediary through which such person is alleged to have acted, should be listed in the National Treasury’s database of persons prohibited from doing business with the public sector.*
- (iii) Subparagraph (i) does not apply to gifts less than R350 in value.”*

2.5 Paragraphs 1.1 to 1.5 of the Plan reads as follows:

*“1.1 Matatiele subscribes to the principles of good corporate governance, which requires the conducting business in an honest and transparent fashion.
1.2 Consequently Matatiele is committed to fighting fraudulent behaviour at all levels within the organisation.
1.3 The Plan is based on the organisations core ethical values driving the business of Matatiele, the development of its systems, policies and procedures, interactions with ratepayers, the public and other stakeholders, and even decision-making by individual managers representing the organisation. This means that in practice all municipalities, departments and other business units of Matatiele and even external stakeholders must be guided by the Plan as the point of reference for their conduct in relation to Matatiele.
1.4 In addition to promoting ethical conduct within Matatiele, the Plan is also intended to assist in preventing, detecting, investigating and sanctioning fraud and corruption.
1.5 This dynamic document details the steps, which have been, and will continually be taken by Matatiele to promote ethical conduct and redress fraud and corruption.”*

2.6 Paragraph 3.1.3 of the Plan reads as follows:

“A gifts policy should be implemented in order to ensure that both the acceptance and offering of business courtesies, including gifts, by all employees of Matatiele occurs only within the ethical standards as prescribed by Matatiele.”

3. The Municipal Manager (or his nominee) shall decide whether an employee may retain offering of business courtesies or gifts. Items received which could be clearly defined as marketing material does not constitute a gift provided it is below the value of R350.
4. Should the value of the marketing material mentioned in paragraph 3 above be uncertain or disputed, the value of the marketing material will be determined by the Municipal Manager in conjunction with the Chief Financial Officer
5. Officials must report offering of business courtesies or gifts received by completing and submitting the attached report (Annexure A) to his/her General Manager.
6. The declaration of offering of business courtesies or gifts received must contain a description of the offering or gift, the estimated value of the offering or gift as well as the source of the offering or gift.
7. Directors must report such offerings or gifts received in the prescribed format (Annexure A) to the Municipal Manager or his/her nominee.
8. The Municipal Manager must report offerings or gifts received by him/her to the Mayor.
9. Each General Manager will keep a register of all offering of business courtesies or gifts received within his/her Department and will be responsible to report and submit such register quarterly to the Manager: Internal Audit for submission to the Audit Committee.
10. The Manager: Human Resources is responsible for the communication of this policy to officials.
11. The Manager: Human Resources is responsible to ensure that this policy is included in induction sessions for new appointees.

(Annexure A –next page)

Policy Section	Human Resources
Current update	N/A
Previous review	N/A
Approval by Council	

MATATIELE MUNICIPALITY DECLARATION OF GIFT(S) RECEIVED

PART 1 :

I, _____, (Name and surname) hereby declare that I have received the following gift(s) which has/have been accepted by me on the understanding that it is in full compliance with the Municipality's Gift Policy:				
Date received	Description of gift	Rand value of gift	Source of gift (Person and Company/Institution)	Relationship
Signature		Date:		
Department:		Employee no:		

Note: Officials submit declaration to General Managers / General Managers submit to Municipal Manager / Municipal Manager submits to Executive Mayor.

PART 2

(COMMENTS BY DIRECTOR/MUNICIPAL MANAGER/MAYOR)
