

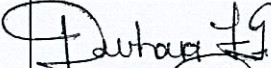
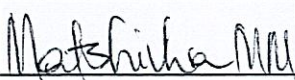
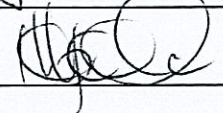
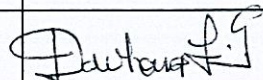
RISK & SECURITY DEPARTMENT ANTI-FRAUD AND CORRUPTION POLICY	Doc Nr	
	Version	
	Issue Date	30 June 2025
	Next Review Date	30 June 2026



ANTI FRAUD AND CORRUPTION POLICY

Signatories

The signatories hereof, confirm acceptance of the contents, recommendation, and adoption hereof.

TITLE	ANIT FRAUD AND CORRUPTION POLICY		
APPROVED DATE		PAGES	23
EFFECTIVE DATE		REVIEW DATE	
ROLE	DESIGNATION	OFFICIAL/MEMBER	SIGNATURES
INITIATED BY	Manager: Risk and Security	LG Davhana	
RECOMMENDED BY	Municipal Manager		
APPROVED BY	Council		
CUSTODIAN OF THE POLICY	Manager: Risk and Security	LG Davhana	

DOCUMENT CONTROL PAGE				
Document title	ANTI FRAUD AND CORRUPTION POLICY			
Creation date	MAY 2025			
Effective date				
Status	Draft		Final	
Version	0.1			
Author title, name and contact details	Manager: Risk and Security Email: davhanalg@thulamela.gov.za Telephone:			
Owner title, name and contact details	Manager: Risk and Security Email: davhanalg@thulamela.gov.za Telephone:			
Distribution	• Council • Accounting Authority and Committees • Municipal Officials • Relevant Stakeholders			
Classification	Restricted	N/A	Confidential	N/A
Revision	Version Number	Revision Date	Revision Details	Revised by
Review History				

INDEX

1.	DEFINITIONS AND ACRONYMS	4
2.	POLICY STATEMENT	6
3.	PURPOSE.....	6
4.	OBJECTIVES.....	7
5.	SCOPE.....	8
6.	DEFINITION OF FRAUD AND CORRUPTION.....	8
7.	FORMS OF CORRUPTION.....	9
8.	POLICY ON FRAUD AND CORRUPTION.....	11
9.	FRAUD AND CORRUPTION CONTROL STRATEGIES	12
10.	STRUCTURAL STRATEGIES.....	12
11.	OPERATIONAL STRUCTURES	15
12.	FRAUD RISK ASSESSMENT	19
13.	DISCIPLINARY BOARD	19
14.	LEGISLATIVE AND REGULATORY FRAMEWORK.....	20
15.	STAKEHOLDER ENGAGEMENT	22
16.	IMPLEMENTATION: ROLES AND RESPONSIBILITIES	22
17.	MONITORING AND EVALUATION.....	23
18.	CONCLUSION.....	23
19.	EFFECTIVE AND REVISED DATE.....	23
20.	ANNEXURES.....	23

1. DEFINITIONS AND ACRONYMS

1.1 Statutory and Regulatory

This Procedure applies to the following meanings and interpretations:

#	TERM	DESCRIPTION
1.1	Corruption	It includes any conduct or behavior where a person accepts, agrees or offers any gratification for him / her or for another person where the purpose is to act dishonestly or illegally. Such behaviour also includes the misuse of material or information, abuse of a position of authority or a breach of trust or violation of duty.
1.2	Bribery	involves the promise, offering or giving of a benefit that improperly affects the actions or decisions of municipal employees.
1.3	Embezzlement	This involves theft of resources by persons who control such resources.
1.4	Extortion	Coercion of a person or entity to provide a benefit to a municipal employees, another person or an entity, in exchange for acting (or failing to act) in a particular manner.
1.5	Abuse of power	The use by a Municipal employee of his or her vested authority to improperly benefit another person or entity (or using vested authority to improperly to discriminate against another person or entity).
1.6	Conflict of interest	The failure by a municipal employees to act or to consciously fail to act on a matter where the municipal employees has an interest or another person or entity that has some form of relationship with a municipal employees has an interest.
1.7	Abuse of privileged information	This involves the use, by municipal employees of privileged information and knowledge that a municipal employee possesses as a result of his/ her office to provide unfair advantage to another person or entity to obtain a benefit.
1.8	Favouritism	The provision of services or resources according to personal affiliation by a municipal employee who does not meet minimum requirements.
1.9	Nepotism	An official ensuring that family members are appointed to municipal positions or that family members receive contracts from the municipality without meeting minimum requirements is regarded as nepotism.
1.10	Theft	It is an unlawful and intentional appropriation of movable corporeal property belonging to another person with the intention of depriving the owner permanently of his/her possession.

1.2 ACRONYMS

#	TERM	DESCRIPTION
2.1	MFMA	Municipal Finance Management Act, Act 56 of 2003
2.2	Municipality	Thulamela Local Municipality
2.3	HR	Human Resource

2. POLICY STATEMENT

- 2.1 This policy is issued in terms of Section 62(1) (c) (i) of the MFMA, which stipulates that the Accounting Officer of a municipality is responsible for managing the financial administration of the municipality and must for this purpose take all responsible steps to ensure that the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal controls.
- 2.2 The risk of corrupt or fraudulent activities is ever present in all organizations and in all industries, therefore the municipality is not immune to such activities occurring. Such kind of activities sabotage the municipality in its efforts to render affordable and sustainable municipal services to the community and has negative impact on the reputation of the municipality and its personnel.
- 2.3 The citizens within the jurisdiction of Thulamela Local Municipality expect the highest standards of ethical behavior from those associated with the municipality. They expect the employees to practice the highest standard of stewardship of public resources and to establish and maintain a sound system of internal controls.
- 2.4 All councilors and employees must take note of the negative impact of corruption and fraud. Any suspicious activity must be duly reported to the relevant authority. Management has an obligation to ensure that sound internal controls are in place and that all municipal activities are conducted in compliance with these internal controls. The Municipal Manager is committed to a zero-tolerance stance with regards to fraud and corruption where prima-facie evidence of fraud and corruption is submitted, management will act against the perpetrators.
- 2.5 The Municipal Manager as an Accounting Officer and all governance and oversight structures will endeavor to work closely with all officials to successfully prevent and detect fraud and corruption.

3. PURPOSE

- 3.1 The purpose of this policy is to articulate the Municipality's zero tolerance approach to fraud and corruption in promoting integrity by strengthening measures to improve anti-fraud and corruption. The municipality adopts an integrated approach to fight against fraud and corruption, this will include an analysis of fraud and corruption risks as part of the municipality's system of risk management.
- 3.2 This policy is aligned to the National Treasury Risk Management Framework. The policy focuses on prevention of fraudulent conduct before it occurs thereby

encouraging a culture where all employees, members of the public and others continuously conduct and promote integrity in their dealings with, or on behalf of the municipality.

- 3.3 All employees of the municipality and other stakeholders to strive towards the promotion of integrity and the prevention and detection of unethical conduct, fraud and corruption which has a potential to impact on the operations of the municipality.

4. OBJECTIVES

The objectives of this policy are:

- 4.1 To create a zero tolerant culture to unethical conduct within the municipality;
- 4.2 To promote and strengthen community participation in the fight against fraud and corruption within municipality;
- 4.3 To create strong relationships in a form of partnerships with key stakeholders (internal and external) to fight fraud and corruption in municipality;
- 4.4 To deter, prevent and detect unethical conduct within the municipality.
- 4.5 To ensure that appropriate action is taken against those who are suspected and found to be participating in unethical conduct of fraud and corruption.
- 4.6 To apply sanctions, which include redress in respect of financial losses.
- 4.7 To encourage a culture within the municipality where all employees, members of the public and other stakeholders continuously behave with and promote integrity in their dealings with, or on behalf of the municipality;
- 4.8 To Improve accountability, efficiency and effective administration in the municipality, including decision-making and management conduct which promote integrity;
- 4.9 To develop and strengthen anti-corruption capacity within the municipality;
- 4.10 To improve the application of systems, policies, procedures and regulations in the municipality;
- 4.11 All aspects of the policy will be supported by comprehensive education, training and awareness campaigns, coordinated with other spheres of government and

community, subjected to continuous fraud risk assessments, and expressed in terms of measurable and time-bound implementation plans.

5. SCOPE

- 5.1 This policy is applicable to all councilors, employees of the municipality (permanent and contract), contractors or service providers regardless of their level or seniority, religion and political affiliation

6. DEFINITION OF FRAUD AND CORRUPTION

- 6.1 In South Africa, the Common Law offence of fraud is defined as "the unlawful and intentional making of a misrepresentation which causes actual and or potential prejudice to another". The term "fraud" is also used in a wider sense by the general public.
- 6.2 In this regard, the term is used in this document in its widest possible meaning and is intended to include all aspects of economic crime and acts of dishonesty. In other words, fraud can be described as any conduct or behaviour of which a dishonest representation and/or appropriation forms an element.
- 6.3 The general offence of corruption is contained in Section 3 of The Prevention and Combating of Corrupt Activities Act. This section provides that any person who gives or accepts or agrees or offers to accept/receive any gratification from another person in order to influence such other person in a manner that amounts to:
- 6.3.1 The illegal or unauthorised performance of such other person's powers, duties or functions;
 - 6.3.2 An abuse of authority, a breach of trust, or the violation of a legal duty or a set of rules;
 - 6.3.3 The achievement of an unjustified result; or
 - 6.3.4 Any other unauthorised or improper inducement to do or not to do anything is guilty of the offence of Corruption.
- 6.4 **Corruption** in its wider meaning, and as referred to in this document, includes any conduct or behaviour where a person accepts, agrees or offers any gratification for

him/her or for another person where the purpose is to act dishonestly or illegally. Such behaviour also includes the misuse of material or information, abuse of a position of authority or a breach of trust or violation of duty.

7. FORMS OF CORRUPTION

Corruption takes various forms in the Municipality and elsewhere in society. The following are examples of different types of corruption:

7.1 BRIBERY

Bribery involves the promise, offering or giving of a benefit that improperly affects the actions or decisions of municipal employees.

7.1 EMBEZZLEMENT

This involves the theft of resources by persons who control such resources.

7.2 EXTORTION

Coercion of a person or entity to provide a benefit to municipal employees, another person or entity in exchange for the acting (or failing to act in a particular manner).

7.3 ABUSE OF POWER

The use by a Municipal employee of his or her vested authority improperly benefit another person or entity (or using vested authority to improperly to discriminate against another person or entity).

7.4 CONFLICT OF INTEREST

The failure by municipal employees to act or to consciously fail to act on a matter where the municipal employees have an interest or another person or entity that has some form of relationship with a municipal employee has an interest.

7.5 ABUSE OF PRIVILEGED INFORMATION

This involves the use by municipal employees of privileged information and knowledge that a municipal employee possesses as a result of his/ her office to provide an unfair advantage to another person or entity to obtain a benefit.

7.6 FAVORITISM

The provision of services or resources according to personal affiliation by a municipal employee who does not meet minimum requirements.

7.7 NEPOTISM

An official ensuring that family members are appointed to municipal positions or that family members receive contracts from the municipality without meeting minimum requirements is regarded as nepotism. These manifestations are by no means exhaustive as corruption appears in many forms and it is virtually impossible to list all of these.

7.8 ACTIONS CONSTITUTING FRAUD AND CORRUPTION

Fraud and corruption manifest in a number of ways and varying degrees of intensity. These include, but are not limited to:

- 7.8.1 Unauthorised private use of institution's assets, including vehicles;
- 7.8.2 Falsifying of records;
- 7.8.3 Conspiring unfairly with others to obtain a tender;
- 7.8.4 Disclosing proprietary information relating to a tender to outside parties;
- 7.8.5 Accepting inappropriate gifts from suppliers;
- 7.8.6 Operating a private business in working hours;
- 7.8.7 Stealing equipment or supplies from work;
- 7.8.8 Soliciting bribes or favours to process requests;
- 7.8.9 Soliciting bribes or favours for turning a blind eye to a service provider who does not provide an appropriate service;
- 7.8.10 Misappropriating fees received from customers, and avoiding detection by not issuing receipts to those customers.

7.9 THULAMELA LOCAL MUNICIPALITY STATEMENT OF ATTITUDE TOWARDS FRAUD

7.9.1 The Municipality requires all staff at all times to act honestly and with integrity and to safeguard the municipal resources for which they are responsible. The municipality is committed to protecting all revenue, expenditure and assets from any attempt to gain illegal financial or other benefits.

7.9.2 Any fraud or corruption committed against the municipality is a major concern to the Council. Consequently, any case will be thoroughly investigated, and appropriate corrective action will be taken against anyone who is found guilty of corrupt conduct. This may include referral to the South Africa Police Services and another relevant state organ, depending on the nature of the matter.

8. POLICY ON FRAUD AND CORRUPTION

8.1 The municipality recognises the exposure towards fraud and corruption within its operations. As such it is the policy and mission of the municipality to strive for the protection of its employees and its other stakeholders through the implementation of an effective and efficient fraud prevention policy.

8.2 The municipality requires all staff members to always act honestly and with integrity and to safeguard the resources for which they are either directly or indirectly responsible.

8.3 Fraud is seen as an ever-present threat to delivery capacity and must be the concern and responsibility of all staff in all areas of the business. There is also a wider responsibility on every staff member to prevent fraud and the adverse consequences it has for the municipality.

8.4 We believe that there is only one effective way of fighting fraud and other corrupt practices and that is by instilling the reality amongst employees and other stakeholders, such as suppliers of goods and services, that fraud and corruption do not pay and will be detected and punished severely.

8.5 Therefore, the municipality's policy on Fraud and Corruption is one of zero tolerance, and as such we are committed to:

8.5.1 Aggressively detecting incidents of fraud and corruption

8.5.2 The investigation of all allegations of misconduct by employees, clients and suppliers, said to be occasioned by fraud and corruption, and

8.5.3 The prosecution of all offenders criminally and, where necessary, the institution of civil and disciplinary action against them.

8.6 The Anti-Fraud and Corruption Policy should be advertised in all public places within the Municipality's premises and issued to all stakeholders, namely shareholders' employees and service providers. Publication of the policy needs to demonstrate in no uncertain terms that the policy is underwritten by the Council and the Municipal Manager.

9. FRAUD AND CORRUPTION CONTROL STRATEGIES

The approach in combating fraud and corruption activities is focused into 2 areas, namely:

Structural Strategies and

Operational Strategies

10. STRUCTURAL STRATEGIES

10.1 Structural Strategies represent the actions to be undertaken in order to address fraud and corruption at the Structural level. The following section outlines the fraud and corruption responsibilities associated with different roles within the Municipality.

MUNICIPAL MANAGER

10.2 The Municipal Manager bears the ultimate responsibility for fraud and corruption risk management within the Institution. This includes the coordination of risk assessments, overseeing the investigation of suspected fraud and corruption, and facilitation for the reporting of such instances.

RISK MANAGEMENT COMMITTEE

10.3 The municipality's Risk Management Committee will advise the Municipal Manager on the Municipality's approach to fraud prevention, fraud detection strategies and response to fraud and corruption incidents reported by employees or other external

parties. The Risk Management Committee shall meet at least once a quarter as per the Risk Management Committee Charter to discuss the following issues.

10.3.1. Progress made in respect of implementing the Anti-Fraud and Corruption Strategies;

10.3.2. Reports received by the Institution regarding fraud and corruption incidents with the view to making any recommendations to the Municipal Manager and Chairperson of the Audit Committee;

10.3.3. Reports on all investigations initiated and concluded; and

10.3.4. All allegations received via the hotline.

AN ETHICAL CULTURE

10.4 All municipal staff are required to conduct themselves in an ethical and moral way. Ethical conduct is based on a set of principles referred to as values or norms. The collective ethical conduct of all the employees of the municipality reflects the municipal's ethical conduct. In this regard, the highest standards of ethics are required by employees when fulfilling their duties.

10.5 Good governance indicates that municipality should develop codes of conduct (ethics) as part of their corporate governance frameworks. All employees are expected to abide by the Code of Conduct for the Municipality. The code of conduct for Municipal staff is attached as an Annexure.

EXECUTIVE MANAGEMENT COMMITMENT

10.6 Executive Management is to be committed to eradicating fraud and corruption and ensuring that the Municipality strives to be perceived as ethical in all its dealings with the public and other interested parties. In this regard, Executive management, under the guidance of the Municipal Manager, will ensure that it does not become complacent in dealing with fraud and corruption and that it will ensure the Institution's overall fraud and corruption policy is reviewed and updated regularly. Furthermore, Executive Management will ensure that all employees and stakeholders are made aware of its overall anti - fraud and corruption strategies through various initiatives of awareness and training.

ASSESSMENT OF FRAUD AND CORRUPTION RISK

- 10.7 The Municipality, under the guidance of the Municipal Manager, will conduct annual fraud and corruption risk assessments to identify potential fraud and corruption risk exposures to the Municipality. This process will ensure that actions to address the identified fraud and corruption risk exposures will be implemented to mitigate these exposures.
- 10.8 The above will be formulated into "Fraud Risk Assessment" and which will provide an indication of how fraud and corruption risks are manifested and, a "Fraud and Corruption Risk Register" which will prioritise the fraud and corruption risks and indicate actions to mitigate these risks.
- 10.9 The fraud and corruption risk assessment shall be done as per the process as set out in the Municipal Risk Management framework.

EMPLOYEE AWARENESS

- 10.10 The main purpose of fraud and corruption awareness workshops / training is to assist in the prevention, detection and reporting of fraud and corruption by raising the level of awareness as to how fraud and corruption is manifested in the workplace. In this regard, all employees will receive training on the following:
- 10.10.1. Anti-Fraud and Corruption policy;
 - 10.10.2. Code of Conduct for employees;
 - 10.10.3. Whistle blowing policy;
 - 10.10.4. How to respond to fraud and corruption; and
 - 10.10.5. Manifestations of fraud and corruption in the workplace.
 - 10.10.6. The Manager: Risk management will be responsible for employee awareness and will arrange and schedule awareness sessions throughout the year.

11. OPERATIONAL STRUCTURES

INTERNAL CONTROLS

11.1 Internal controls are the first line of defence against fraud and corruption. While internal controls may not fully protect the Municipality against fraud and corruption, they are essential elements in the overall Anti-Fraud and Corruption policy.

11.2 All areas of the policy require internal controls; for example:

11.2.1 Physical control (security of assets);

11.2.2 Authorization controls (Approval of expenditure);

11.2.3 Supervisory controls (supervising day-to-day issues);

11.2.4 Analysis of data;

11.2.5 Monthly and annual financial statements;

11.2.6 Reconciliation of bank statements, monthly;

11.2.7 Reconciliation of vote accounts, monthly;

11.2.8 Procurement process; and

11.2.9 Segregation of duties (it reduces the risk of intentional manipulating or error and increases the element of checking.

11.3 The Internal Audit will be responsible for implementing an internal audit program which will incorporate steps to evaluate adherence to internal controls.

PREVENTION STRATEGIES

A number of combined initiatives result in an overall preventative environment in respect of fraud and corruption. These include the following:

Employee Awareness

11.4 Employee awareness of the Municipal's Anti-Fraud and Corruption policy, Code of Conduct, Whistle blowing policy and the manifestation of fraud and corruption in the

workplace all assist in the creation of an environment which may be considered to be hostile to a would-be transgressor.

Pre-Employment Screening

11.5 Pre-employment screening will be carried out for all appointments, and evidence of such screening will be maintained by the HR Department. Consideration should be given to the following pre-employment screening:

11.5.1 Verification of identity.

11.5.2 Police criminal history.

11.5.3 Reference checks with the two most recent employers — this will normally require telephone contact.

11.5.4 A consideration of any gaps in employment history and the reasons for those gaps.

11.5.5 Verification of formal qualifications claimed.

11.6 The screening will be performed by a person / people nominated by the Human Resources Department in conjunction with the Municipal Manager to ensure that screening is consistent and appropriately resourced throughout all Departments.

Recruitment Process

11.7 Recruitment will be conducted in accordance with the Municipal recruitment procedure. It will be a transparent process and all appointments will be confirmed only after due recommendation. Any person, involved in any decision-making process, who may have a conflict of interest, must declare such a conflict in writing to the HR Department and withdraw from any further procedures.

Risk Assessment

11.8 Risk assessment should be conducted at a strategic level and in all operation business level as fraud and corruption and irregularities and be prevented by mitigating the risk of fraud and corruption in the Municipality. A fraud and Corruption

Risk Assessment shall be done in line with the guidelines as set in the municipality's Risk Management Strategy.

Internal Audit

11.9 The Internal Audit Annual Plan will be based on the results of risk assessment which will prioritise high-risk areas, including high Fraud and Corruption risks. Internal Audit shall also bring to the attention of Risk Management any suspicion of fraud which they might come across during their audit reviews.

Disclosure Of Interest

11.10 All Senior Managers, Managers, Assistant managers, staff and Counsellors of the municipality will be required to disclose their business interests on an annual basis.

DETECTION STRATEGIES

11.11 Detection of fraud and corruption may occur through:

11.12.1 Vigilance on the part of employees, including line management;

11.12.2 The Internal Audit function,

11.12.3 Ad hoc management reviews;

11.12.4 Anonymous reports; and

11.12.5 The application of detection techniques.

11.12 Manager: Risk and Security Management will be responsible for developing detection strategies, and will work closely with line management and the Internal Audit function for this purpose. The Municipality will embark on a number of initiatives to detect fraud and corruption in the workplace.

Internal Audit

11.13 As part of the prevention strategy, internal audit will examine and evaluate the adequacy and effectiveness of the system of internal control according to the plan, commensurate with the extent of the potential exposure/risk in the various segments of the municipality's operations.

External Audit

- 11.14 The Municipality recognises that the external audit function is an important control in the detection of fraud. The Chief Finance Officer will need to hold discussions with all engaged external auditors to ensure that due consideration is given, by the auditors, to ISA 240 "The Auditors' Responsibility to Consider Fraud in the Audit of a Financial Statement".

RESPONSE STRATEGY

11.15 Reporting fraud and corruption — a Whistle blowing policy

11.15.1 One of the key obstacles to fighting fraud and corruption is the fear by employees and Community members of being intimidated for blowing the whistle on fraudulent, corrupt or unethical practices witnessed. For this reason, the Municipality has adopted a Whistle Blowing Policy setting out the detailed procedure which must be followed in order to report any incidents of fraud and/or corruption. The policy has been designed to comply with the provisions of the Protected Disclosures Act.

11.15.2 Any suspicion of fraud and corruption will be treated seriously and will be reviewed, analysed, and if warranted, investigated. If an employee becomes aware of suspected fraud, corruption or any irregularity or unethical behaviour, such issues should be reported in terms of a Whistle Blowing Policy.

11.16 Investigating fraud and corruption

11.16.1 In the event that fraud or corruption is detected or suspected, investigations will be initiated, and if warranted, disciplinary proceedings, prosecution or action aimed at the recovery of losses will be initiated. Investigations will be carried out guided by the office of the Municipal Manager.

RECOVERY AND OTHER REMEDIES

- 11.17 The municipality will actively pursue the recovery of any money or property lost through fraud, provided there is a strong prospect of a net benefit to the Municipality from such action.

11.18 Where it is considered appropriate that the matter not be reported to the police, the municipality reserves its right to pursue a range of other remedies including appropriate disciplinary action. Any disciplinary action pursued will be done in accordance with the disciplinary procedures.

11.19 Exit interviews and exit checklist procedures will be performed in the event of dismissal from the municipality for misconduct or fraud. This is necessary to ensure that factors contributing to misconduct and fraudulent activity by employees can be managed as a process to mitigate fraud risk.

12. FRAUD RISK ASSESSMENT

12.1 Fraud and Corruption risk assessments should also be conducted annually, and the results should be considered when drafting the Fraud Prevention Plan. Fraud and corruption risk assessment shall be conducted in four identified focus areas.

12.2 The outcome of the Fraud and Corruption Risk Assessment shall consist of the following:

12.2.1. Components of Risk under each focus area as well as manifestations (materialization) of frauds/corruption of each component; and

12.2.2. Fraud and corruption risk register containing all the risk manifestations and the recommendation to address each manifestation.

13. DISCIPLINARY BOARD

Internal DC (Financial Misconduct)

13.1 The Minister of Finance has, in terms of sections 168 and 175, of the Local Government: Municipal Finance Management Act, 56 of 2003, promulgated municipal regulations with regards to procedures and criminal proceedings, pertaining to financial misconduct. These regulations were published in Government Gazette no 37699 dated 30 May 2014. (Regulation R430.).

13.2 In terms of section 4 (1) of the Regulations, a Municipal Council must establish a Disciplinary Board to investigate allegations of financial misconduct and monitor the institution of disciplinary proceedings against an alleged transgressor. In terms of section 4 (1) of the Regulation R 430, "A disciplinary board is an independent advisory

body that assists Council with the investigation of allegations of financial misconduct and provide recommendations on further steps to be taken regarding disciplinary proceedings, or any other relevant steps to be taken.”

14. LEGISLATIVE AND REGULATORY FRAMEWORK

This policy is based on the following legislative framework-

14.1 The Republic of South Africa Constitution 1996, Section 195.

14.2 Protected Disclosure Act, 2000 (Act No. 26 of 2000):

14.2.1 Section 10(4) of the act gives provision for the procedures in terms of which employees (in both the private and the public sector) may disclose information regarding unlawful conduct by:

14.2.1.1. their employers; or

14.2.1.2. other employees in the employ of their employers;

14.2.1.3. to provide for the protection of employees who make a disclosure, which is protected in terms of the Act.

14.3 Labour Relations Act, 66 of 1995

14.4 Practical Guidelines for employees issued in terms of section 10 of the Protected disclosures Act , 2000 (Act .26 of 2000)

14.5 Municipal Finance Management Act 56 of 2003:

14.5.1. 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 following:

14.5.1.1 Measures for Combating fraud, corruption, favouritism and unfair, irregular practices in municipal supply chain management, and promoting ethics of officials and other role players involved in municipal supply chain management.

- 14.5.2. Section 115 (1) stipulates that the accounting officer of a municipality or municipal entity must—
 - 14.5.2.1. implement the supply chain management policy of the municipality or municipal entity; and
 - 14.5.2.2. take all reasonable steps to ensure that proper mechanisms and separation of duties in the supply chain management system are in place to minimise the likelihood of fraud, corruption, favouritism and unfair and irregular practices.
- 14.6 National Treasury Regulations of 2005 (as amended)
- 14.7 Local Government Anti-Corruption Strategy, 2006:
 - 14.7.1 The strategy gives guidance mainly on what municipal's anti-fraud and corruption strategies should entail and activities that needs to be carried out by municipalities to deal with corruption. It prescribes the vetting of municipal employees, both existing and prospective, to ensure that they are not predisposed to corruption.
- 14.8 National Anti-corruption strategy adopted by Cabinet in 2002
- 14.9 Minimum Anti-Corruption Capacity Requirements approved by Cabinet in 2003
- 14.10 Organized Crime Act no .121 of 1998 5.11. Criminal Procedure Act No. 51 of 1977 (Check you have stated Act 65 of 2008)
- 14.11 Justices of the Peace and Commissioners of Oath Act no .16 of 1963 5.13. Limpopo Provincial Government Anti-Corruption Strategy
- 14.12 National Road Traffic Act No .93 of 1996 5.15. Limpopo Protected Disclosure Policy Framework
- 14.13 Prevention and Combating of Corrupt Activities Act, 2004 (Act no 12 of 2004):
 - 14.13.1. The Act provide for the strengthening of measures to prevent and combat corruption and corrupt activities; to provide for the offence of corruption and offences relating to corrupt activities; to provide for investigative measures in

respect of corruption and related corrupt activities; to provide for the establishment and endorsement of a Register in order to place certain restrictions on persons and enterprises convicted of corrupt activities relating to tenders and contracts; to place a duty on certain persons holding a position of authority to report certain corrupt transactions; to provide for extraterritorial jurisdiction in respect of the offence of corruption and offences relating to corrupt activities; and to provide for matters connected therewith.

14.14 Municipal System Amendment Act 1 of 2011 5.18. Intimidation Act 72 of 1982:

14.14.1. The Act sets out 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. Section 69 of the Act prescribe the code of conduct to which all municipal staff are expected to abide by

14.15 Witness Protection Act 112 of 1998 5.20.

14.16 Promotion of Access to Information Act, 2 of 2000

14.17 Municipal Regulations on Financial Misconduct (MFMA Circular 76) - The Disciplinary Board to Investigate Financial Misconduct

14.18 Government Integrity Management Framework: 2015

14.19 Local Government Municipal Systems Act no 32 of 2000: Code Of Conduct For Municipal Staff Members

14.20 Criminal Procedure Amendment Act 65 of 2008.

15. STAKEHOLDER ENGAGEMENT

15.1 All the relevant stakeholders internal and external will be consulted through the development and implementation of this policy

16. IMPLEMENTATION: ROLES AND RESPONSIBILITIES

16.1 Risk Management Committee

16.2 Audit and Performance committee

17. MONITORING AND EVALUATION

17.1 On a continuous basis this policy will be accessed to determine its relevance and effectiveness and to access whether it has achieved the intended objective.

18. CONCLUSION

18.1 In conclusion, the Anti-Fraud and Corruption outlines critical matters raised in the purpose and the objectives. The provisions in the policy contents highlights the need for municipality to adhere to the key issues narrated which will address challenges encountered and lead to effective and efficient implementation of the policy.

18.2 The municipality commits to make resources available, monitor and evaluate the effectiveness of the policy, thus encouraging all relevant stakeholders to familiarise themselves with the policy and take necessary actions to fully participate and ensure compliance of the policy.

18.3 On that note, stakeholders are urged to provide feedback on implementation of the policy to enable the municipality to review and make adjustments where necessary.

19. EFFECTIVE AND REVISED DATE

19.1 This Policy shall be reviewed annually or as and when the need arises

20. ANNEXURES

20.1 Code of Conduct

20.2 Business Process Map

20.3 Standard Operating Procedure



Private Bag X5066
Thohoyandou
0952
Limpopo Province
Tel: 015 962 7500
Fax: 015 962 4020

T
H
U
L
A
M
E
L
A

M
U
N
I
C
I
P
A
L
I
T
Y

**EXTRACT RESOLUTION OF THULAMELA
MUNICIPALITY SPECIAL COUNCIL MEETING NO.
07/2025 HELD ON THE 30TH OF JUNE 2025.**

RESOLUTION NO. SC 07/06/2025

**SUBMISSION OF THE RISK MANAGEMENT RELATED
POLICIES FOR 2025/26 FINANCIAL YEAR.**

Council resolved:

- a) To approve the Risk Management related policies for 2025/26 financial year and,
- b) To note risk management related strategies and plans for 2025/26 financial year.


.....
**CHAIRPERSON OF COUNCIL
30 JUNE 2025**





LIST OF POLICIES

RISK AND SECURITY DEPARTMENT (30 June 2025-30 June 2026)

1. Security management Policy.
2. Anti-Fraud and Corruption Policy.
3. Whistle blowing Policy.
4. Risk management Policy.