AMAHLATHI LOCAL MUNICIPALITY

ANTI-CORRUPTION AND FRAUD PREVENTION POLICY

Council Resolution Number	Approved Date
Ordinary Council Meeting	28 May 2026
Effective Date: 1 July 2026	Review Date: Annually and or as and when required

CLLR. N. Mlahleki

Speaker

Name of policy	
Policy Number	
Policy Name	Anti-Corruption and Fraud Prevention Policy
Policy Status	Active
Version	V3
Date of Approval	
Date of First Implementation	
Date Last Amended	11 March 2025
Date of Next Review	June 2026
Purpose	This policy provides guidelines for all employees and councillors of the Municipality, including external stakeholders, to prevent and combat fraud and/or corruption and other acts of theft and maladministration.
Aims and Objectives	This policy sets out the stance of the Municipality with regard to corruption and fraud, as well as reinforcing existing legislation aimed at preventing, reacting to, and reducing the impact of fraud, corruption, theft and maladministration, where these dishonest acts subsist.
Policy Custodian	Risk & Compliance Management Unit
Related Policies and Legislation	Constitution, Protected Disclosure Act, Prevention and Combating of Corrupt Activities Act, MFMA, MSA, SCM Regulations, National Treasury Regulations; COGTA Regulations.
Approving Authority	Council
Applicability	Amahlathi Local Municipality
Policy Benchmark and References	N/A
Stakeholders Consulted	

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WORDS / ABBREVIATIONS USED

WORDS	DEFINITIONS
CFO	Chief Financial Officer of the Amahlathi Municipality;
Constitution	Constitution of the Republic of South Africa, 1996 (Act. No 108 of 96).
Corruption	means any conduct or behaviour where a person accepts or agrees or offers any gratification for him/her or for another person where the purpose is to act dishonestly and illegally. Such behaviour also includes the misuse of material or information, abusing a position of authority or a breach of trust or violation of duty.
Corrupt Activities Act	Prevention and Combating of Corrupt Activities Act 2004 (Act No. 12 of 2004).
Council	Council of the Amahlathi Municipality.
Councillor	A member of Council of the Amahlathi Municipality;
Disclosure	in terms of the Protected Disclosure Act, 2000 (Act No. 26 of 2000) means – any disclosure of information regarding any conduct of an employer or an employee of that employer, made by any employee who has reason to believe that the information concerned shows or tends to show one or more of the following: • That a criminal offence has been committed, is being committed or is likely to be committed. • That a person has failed, is failing or is likely to fail to comply with any legal obligation to which that person is subject. • That a miscarriage of justice has occurred, is occurring or is likely to occur. • That the health or safety of an individual has been, is being or likely to be endangered. • That the environment has been, is being or is likely to be damaged.

WORDS	DEFINITIONS
	• Unfair discrimination as contemplated in the Promotion of Equality and Prevention of Unfair Discrimination Act, (No. 4 of 2000) or • That any matter referred to in paragraphs (a) to (f) has been, is being or is likely to be deliberately concealed.
Disciplinary Procedure	Disciplinary Procedure of the Municipality in terms of the collective agreement of the South African Local Government Bargaining Council and/or the Disciplinary Code and Procedures for Senior Managers.
Employee	Any employee of the Municipality, contractual or permanent;
Fraud	Unlawful and intentional making of a misrepresentation which causes actual or potential prejudice to another. The use of the term is in its widest possible meaning and is intended to include all aspects of economic crime and acts of dishonesty;
Gift	includes physical offerings, rewards, hospitality (such as breakfast, lunch or dinner), money, sponsorships, commissions or any other benefit or gratification that is received by a councillor/ employee;
MFMA	Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);
Municipality	Amahlathi Municipality;
Municipal Manager	Municipal Manager of the Amahlathi Municipality;
NPA	National Prosecuting Authority of the Republic of South Africa;
Occupational detriment	in relation to the working environment of an employee in terms of the Protected Disclosure Act (Act No. 26 of 2000) means – • being subjected to any disciplinary action. • being dismissed, suspended, demoted, harassed or intimidated.

WORDS	DEFINITIONS
	• being transferred against his or her will. • being refused transfer or promotion. • being subjected to a term or condition of employment or retirement which is altered or kept altered to his or her a disadvantage. • being refused a reference, or being provided with an adverse reference, from his or her employer. • being denied appointment to any employment, profession or office. • being threatened with any of the actions referred to in paragraphs (a) to (g) above; or • being otherwise adversely affected in respect of his or her employment, profession or office, including employment opportunities and work security.
Political Office Bearers	Councillors appointed to hold political offices in the Municipality
Protected Disclosure	in terms of the Protected Disclosure Act (Act No. 26 of 2000), means a disclosure made to: - • a legal adviser in accordance with section 5. • an employer in accordance with section 6. • a member of Cabinet or of the Executive Council of a province is accordance with section 7. • a person or body in accordance with section 8.
Protected Disclosure Act	Protected Disclosure Act, 2000 (Act No. 26 of 2000);
Recipient of a complaint	Employee or councillor of the Municipality to whom a complaint of fraud, corruption and maladministration is laid; this may involve but is not limited to a Supervisor, Line Manager, Director, Municipal Manager or an employee acting

WORDS	DEFINITIONS
	in any such capacity, the Mayor, the Speaker and/or the Chairperson of the Audit Committee
SAPS	South African Police Force of the Republic of South Africa;
Speaker	Means the speaker of the Amahlathi Municipal Council.
Systems Act	Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000).
Structures Act	Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998).
SCM Regulations	Supply Chain Management Regulations, 2005 (No. 27636 of 2005.

1. PREAMBLE / INTRODUCTION

Amahlathi Local Municipality is committed to maintaining the highest standards of integrity, transparency, accountability, and ethical governance in the execution of its mandate and service delivery responsibilities.

The Municipality recognises that fraud, corruption, and unethical conduct undermine public trust, weaken governance, and hinder development, and therefore adopts a zero-tolerance approach to such practices.

This policy provides a structured framework for the prevention, detection, reporting, and management of fraud and corruption risks, while promoting an ethical culture and ensuring that all employees, councillors, service providers, and stakeholders act in accordance with applicable legislation and uphold the Municipality's values to prevent and combat fraud and/or corruption and other acts of theft and maladministration.

2. LEGAL FRAMEWORK

This policy has been compiled in accordance with:-

- The Constitution of the Republic of South Africa, (Act No. 108 of 1996) (hereafter referred to as the Constitution);
- Protected Disclosure Act, (Act No. 26 of 2000);
- Prevention and Combating of Corrupt Activities (Act, No 12 of 2004);
- The Municipal Finance Management Act, (Act No. 56 of 2003);
- Local Government: Municipal Systems Act, (No. 32 of 2000);
- Local Government: Municipal Structures Act, (No. 117 of 1998);
- Local Government: Municipal Supply Chain Management Regulations, (Act No 27636 of 2005);
- National Treasury Regulations.

3. PURPOSE

a. The purpose of this Policy is to establish a clear framework for preventing, detecting, reporting, and responding to fraud, corruption, and all forms of unethical conduct within Amahlathi Local Municipality.

b. It aims to promote a culture of integrity, transparency, accountability, and ethical behaviour across all levels of the Municipality, while safeguarding municipal resources and ensuring their lawful and efficient use.

c. The Policy further seeks to ensure compliance with applicable legislation and strengthen internal controls to minimise fraud and corruption risks, thereby protecting the Municipality's reputation and supporting effective service delivery.

4. SCOPE

4.1 This policy applies to all corruption, fraud, theft and maladministration or suspected irregularities of this nature involving, but not limited to, the following persons or entities:

a) Employees of the Municipality;

b) Political Office Bearers;

c) Councillors;

d) Consultants, suppliers, contractors and other providers of goods and services to the Municipality.

4.2 This policy shall be applied with due observance of the Municipality's policy with regard to delegated powers. Such delegations refer to delegations between the Municipal Manager and other responsible officials; the Council and the Executive Mayor as well as between the Council and the Municipal Manager.

5. OBJECTIVES

5.1 This policy also sets out the stance of the Municipality with regard to corruption and fraud, as well as reinforcing existing legislation aimed at preventing, reacting to, and reducing the impact of fraud, corruption, theft and maladministration, where these dishonest acts subsist.

5.2 It also aims to develop and foster an environment, where all employees and councillors shall strive for the ultimate eradication of fraud, corruption, theft and maladministration by means of the application of the full spectrum of both pro-active and re-active measures at their disposal.

5.3 Furthermore, this policy prescribes appropriate prevention and detection controls, including, but not limited to, the disclosure of unlawful or irregular acts or conduct as prescribed by the Protected Disclosures Act.

5.4 Consistent with such an Act, the Municipality has the responsibility to take reasonable steps to ensure that "whistle-blowers", who disclose such information, are protected from any reprisals as a result of such disclosure.

6. POLICY STATEMENT

6.1 It is the policy of the Municipality that fraud, corruption, theft and maladministration or any other dishonest activities of a similar nature will not be tolerated. In addition, these acts will be investigated and followed up by the application of all remedies available within the full extent of the law.

6.2 Appropriate prevention and detection controls will be applied. These include the existing controls and checking mechanisms as prescribed by existing policies and procedures, and systems of internal control.

6.3 It is the responsibility of all employees and councillors of the Municipality to report incidents of fraud, corruption, theft, maladministration or any other dishonest activity. If an employee is not comfortable reporting such matters to his immediate

supervisor or manager, he/she should report the matter to the next level of management, with final recourse being to the Municipal Manager.

6.4 Appropriate lines of authority should be utilized in line with the Municipality's policy on delegated authority.

6.5 Directors are responsible for the detection, prevention and investigation of fraud, corruption, theft, maladministration, or other dishonest activities within their directorates. All managers (and other employees who hold positions of authority) shall also bear responsibility for reporting such acts, as stipulated.

6.6 The Municipality shall report all instances of criminal conduct to the appropriate authorities. Due cognizance shall be observed with regard to section 34(1)(b) of the Corrupt Activities Act, which imposes an obligation to report all acts of corruption, fraud, theft, extortion, forgery, or uttering a forged document. Such acts of dishonesty must be reported to the SAPS, failing which management who are aware of the matter, will be committing a criminal offence.

6.7 The Municipality shall, however, not only report matters in terms of the above obligation, but shall report all criminal conduct irrespective of the value involved.

6.8 The Municipality shall take appropriate legal recourse to recover losses or damages arising from fraud, corruption, theft or maladministration.

6.9 The efficient application of National Treasury regulations, issued in terms of the MFMA, relevant circulars and the application of policy resolutions of the Municipality with regard to unauthorised, irregular, fruitless and wasteful expenditure, and other acts of financial dishonesty is an important duty of any recipient of a complaint.

7. POLICY PRINCIPLES

The Anti-Corruption and Fraud Prevention Policy of Amahlathi Local Municipality is guided by the following principles:

7.1 Zero tolerance for fraud, corruption, and any form of unethical conduct;
7.2 Integrity and ethical behaviour in all municipal operations and decision-making processes.
7.3 Transparency in the management of public resources and municipal affairs;
7.4 Accountability of all employees, councillors, service providers, and stakeholders for their actions and decisions.
7.5 Compliance with applicable legislation, regulations, and internal policies; prevention-focused risk management through strong internal controls and continuous monitoring.
7.6 Protection of whistle-blowers and promotion of safe reporting mechanisms; and
7.7 Fairness, objectivity, and consistency in the investigation and handling of fraud and corruption cases.

8. FRAUD, CORRUPTION, THEFT AND MALAMINISTRATION

8.1 FORMS OF FRAUD AND CORRUPTION

8.1.1 Bribery

Bribery involves the promise, offering or giving of a benefit that improperly affects the actions or decisions of an employee. This benefit may accrue to the employee or councillor, another person or an entity.

8.1.2 Embezzlement

This involves theft of resources by persons entrusted with the authority and control of such resources.

8.1.3 Fraud

This involves actions or behaviour by an employee, councillor or other person or entity that provides a benefit that would not normally accrue to the person(s) or entity. Such fraud is frequently committed by persons who enjoy positions of trust or authority within the Municipality; and may involve acts such as issuing falsified financial statements or performance reports with the object of misleading council. External fraud occurs when persons outside the organization perpetrate fraud against the Municipality:

- Such as the inadequate supply of deliveries at delivery points exploiting loopholes in the Municipality's security system;
- False statements or reports regarding work done on construction sites, or
- Repair and service contracts where there is inadequate control over these contracts.

8.1.4 Extortion

This involves coercing a person or entity to provide a benefit to an employee, councillor or another person or an entity in exchange for acting (or failing to act) in a particular manner.

8.1.5 Abuse of power

This involves an employee or councillor using his or her vested authority to improperly benefit another employee or councillors, person or entity or using vested authority to improperly discriminate against an employee or councillor, another person or entity.

8.1.6 Conflict of interest

This involves an employee or councillor acting or failing to act on a matter where the employee or councillor has an interest or another person or entity that stands in a relationship with the employee or councillor has an interest.

8.1.7 Abuse of privileged information

This involves the use of privileged information and knowledge that an employee or councillor possesses as a result of his or her office to provide unfair advantage to another person or entity to obtain a benefit, or to accrue a benefit to him or herself. This may also involve the misuse of confidential information of the Municipality by people in positions of trust, for example through the misuse of computer access controls.

8.2 ACTIONS CONSTITUTING FRAUD, CORRUPTION, THEFT AND MALADMINISTRATION:

The term fraud, corruption, theft and maladministration refers to, but is not limited to:

a) Any dishonest, fraudulent or corrupt act;
b) Theft of funds, supplies, or other assets;
c) Maladministration or financial misconduct in handling or reporting of money or financial transactions;
d) Making a profit from insider knowledge;

e) Disclosing confidential or proprietary information to outside parties;
f) Deliberately and dishonestly altering documents, records or vouchers for financial gain; creating false invoices or credit notes; creating fictitious supplier accounts; creating false purchase invoices or destroying supplier credit notes; purchasing items for private use on the municipality's accounts; submitting false claims for remuneration of expenses; or buying goods on credit with the full knowledge that council does not have the means to pay for them; approving unauthorised deliveries and/or creating fictitious employees on the Municipality's payroll.
g) Irregularly accepting or requesting anything of a material value from contractors, suppliers, or other persons providing services/goods to the Municipality;
h) Irregularly offering or giving anything of a material value to contractors, suppliers, or other persons providing services/goods to the Municipality; and/or special favours or concessions to clients/suppliers or contractors or other parties in exchange for remuneration in the form of cash or other benefits.
i) Destruction, removal, or abuse of records, furniture, and equipment;
j) Deliberately omitting to report or act upon reports of any such irregular or dishonest conduct;
k) Acts of financial misconduct contemplated in terms of sections 171 to 173 of the MFMA;
l) Incidents of unauthorized, irregular or fruitless and wasteful expenditure as defined in section
    a. 32 of the MFMA; and
m) Any similar or related irregularity as prescribed by the Prevention and Combating of Corrupt Activities Act, the MFMA and other applicable legislation.

9. RESPONSIBILITY TO CONDUCT INVESTIGATIONS

9.1 The responsibility to conduct investigations relating to the actions listed in this policy resides with **Council, the Municipal Manager and the Directors** within the Municipality who have the advisory and supporting assistance from departments and external state agencies which may include any of the following:

a) Internal and external audit services;

b) State Attorney;

c) External investigating agencies, for example the SAPSs, where matters fall within their mandate;

d) External consultants, for example Forensic Accounting consultants;

e) Office of the National Director of Public Prosecutions;

f) Special Investigating Units established under any law;

g) The Public Protector;

h) Any other authority as may be determined by Council.

10. REPORTING PROCEDURES AND RESOLUTION OF REPORTED INCIDENTS

10.1 It is the responsibility of every employee of the Municipality to report incidents of fraud, corruption, theft, maladministration and other suspected irregularities of this nature to his/her Manager. If the employee is not comfortable reporting such matters to his/her immediate supervisor or manager, he/she should report the matter to any other member of management, the Municipal Manager and/or the Chairperson of the Audit and Performance Committee.

10.2 Should an employee wish to make a report anonymously, such a report may be made to any member of management, the Municipal Manager, the Chairperson of the Audit Committee and/or the Speaker or the Mayor.

10.3 It is the responsibility of any recipient of a complaint to promptly report all incidents of fraud, corruption, theft, maladministration and other suspected irregularities of this nature to the Municipal Manager.

10.4 Where an employee is alleged to have committed an act of fraud, corruption, theft, or maladministration the Municipal Manager must institute disciplinary proceedings in terms of the applicable disciplinary procedure of the Municipality.

10.5 Where a councillor is alleged to have committed an act of corruption or fraud, the Speaker or Council must institute an investigation in terms of

section 13 and 14 respectively, of the Code of Conduct for Councillors as contained in the Municipal Structures Act.

10.6 As soon as disciplinary hearings concerning charges of fraud, corruption, theft, maladministration and other suspected irregularities of this nature are completed, the outcome must be reported promptly to the Municipal Manager.

10.7 The Municipal Manager must also report to SAPS all cases of alleged –

- irregular expenditure that constitute a criminal offence; and
- theft, fraud, corruption, theft and maladministration including other suspected irregularities of this nature.

10.8 Consistent with section 32 of the MFMA and in terms of this Policy, the Municipal Manager must inform the Executive Mayor, Council, the MEC for Local Government in the Eastern Cape and the Auditor-General, in writing of:-

- any unauthorized, irregular, fruitless and wasteful expenditure incurred by the Municipality; and in terms of this policy, shall also include serious incidents of fraud, corruption, theft, maladministration and other suspected irregularities of this nature ;
- whether any person is responsible or under investigation for such unauthorized, irregular, wasteful or fraudulent expenditure; and (c) the steps that have been taken to:-
    i. recover or rectify such expenditure; and
    ii. to prevent a recurrence of such expenditure.

10.9The writing off of any unauthorized, irregular, fruitless and wasteful expenditure or any other expenditure incurred as a result of fraud, corruption, theft, maladministration and any other suspected irregularity as irrecoverable, does not prevent criminal or disciplinary proceedings being instituted against a person charged with an offence relating to such expenditure.

10.10 The Municipality may, in terms of this policy and section 176 (2) of the MFMA, recover such losses or damages incurred by the Municipality. Therefore an

employee or councillor who due to deliberate or negligent unlawful actions shall be held liable for the recovery of such financial losses.

10.11 Council, must take all reasonable steps to ensure that cases that are referred to in section 9.6 are reported to the SAPS if –

- the charge is against the Municipal Manager
- the Municipal Manager fails to comply with that section.

10.12 Consistent with section 171(4) of the MFMA, the Municipality shall institute an investigation regarding allegations of financial misconduct against the Municipal Manager, the CFO, any senior manager or other official of the Municipality, unless those allegations are speculative or obviously unfounded; and

10.13 The Municipality shall also investigate allegations of financial misconduct involving any councillor, such allegations shall be dealt with in terms of the breaches of the Code of Conduct for Councillors as stipulated in schedule 7 of the Municipal Structures Act and the Municipality's Rules of Conduct for Councillors. The failure of a recipient of a complaint to take prompt and reasonable steps to ensure that allegations of fraud, corruption and/or any other similar irregular or dishonest activity are appropriately dealt with, may result in disciplinary measures being instituted against such a recipient.

11 PROTECTED DISCLOSURE

11.1 PROTECTION OF WHISTLE BLOWERS

a) The Protected Disclosures Act makes provision for the protection of employees or councillors who make a disclosure in terms of the provisions of this Act.
b) Any disclosure made in good faith and in accordance with the procedures outlined in section 9 of this policy, is considered a protected disclosure. An employee or councillor making such a disclosure is protected from being subjected to an occupational detriment.
c) An employee who suspects or reports suspected dishonest activity which he/she has witnessed should be afforded the opportunity to remain anonymous should he/she so require.
d) Allegations made by employees which are false and made with malicious intentions should be discouraged by managers. Where such malicious or false allegations are discovered, the person who made the allegations must be subjected to firm disciplinary action. Such disclosures are not protected by the Protected Disclosures Act.
e) The Municipality recognizes that employees or councillors will be concerned about potential victimization, recrimination and even threats to their personal safety as a consequence of disclosing such fraudulent and/or corrupt activities. The Municipality shall provide measures to protect the information and the identity of the person (when such protection is required).

11.2 HARRASSMENT

a) The Municipality acknowledges the fact that the decision to report a concern can be a difficult one to make, not least because of the fear of reprisal from those responsible for any fraudulent or corrupt conduct or irregularity.
b) The Municipality shall not tolerate harassment or victimization and shall take action to protect employees or councillors when they report an irregularity in good faith.
c) Any act of harassment or victimization should be reported, in line with the reporting protocol of the Municipality. This does not mean that if an employee

is already the subject of a disciplinary process, that action will be halted as a result of making a 'protected disclosure' in terms of the Protected Disclosure Act.

11.3 CONFIDENTIALITY

a) Information relating to fraudulent, corrupt or dishonest acts that is received and reported to any supervisor, manager or a Director and/ or the Municipal Manager shall be treated with the utmost confidentiality.

b) The progression of the investigation will be handled in a confidential manner and will not be disclosed or discussed with any other person(s) other than those who have a legitimate right to such information. This is important in order to avoid harming the reputations of the suspected person(s) who may be subsequently found innocent of any wrongful conduct.

11.4 ANONYMOUS ALLEGATIONS

- The Municipality encourages employees or councillors to put their names to allegations of acts of corruption and/or fraud. Nevertheless, they will be followed up at the discretion of the Municipality. This discretion will be applied by taking into account the following:
  (a) the seriousness of the issue raised;
  (b) the credibility of the concern; and
  (c) the likelihood of confirming such an allegation

- **Should members of the public wish to report allegations of fraud anonymously, they can contact the Mayor, any councillor, the Municipal Manager, any member of Senior management, the Head of Internal Audit, Audit Committee Chairperson or even the National Hotline at 0800 701 701, The complaints could also be addressed to:**

(Municipal Manager, 08 Cypress venue, Bushpig Stutterheim, 4930) or phone 043 683 5056

11.5 FALSE ALLEGATIONS

a. Employees or councillors must understand the implications (resources and costs) of undertaking investigations and should therefore guard against making allegations, which are false and made with malicious intent.
b. If in the course of the investigation it should be found that the allegations were made with malicious intent, such allegations shall be treated in a very serious light. The employee concerned must be subjected to a disciplinary enquiry. Should a councillor be involved, the Code of Conduct for Councillors shall be applied.

12 APPLICATION OF PREVENTION CONTROLS AND DETECTION MECHANISMS

a. In all instances where incidents of fraud, corruption, theft, maladministration and other similar irregularities of this nature take place, Directors are required to immediately review the controls which have been breached in order to prevent similar irregularities from taking place in future.
b. The Internal Audit Manager should be consulted when necessary for assistance in this regard.

13 CONFLICT OF INTEREST

a) Employees and Councillors are compelled to declare their business interests in terms of the disclosure of business interests. For the sake of clarity in respect of the anti-fraud obligations, this requirement goes further in that all employees and councillors are required to declare their business interests whether such business interests are registered or not. The declaration is required regardless of the status of such an entity: whether active or dormant.

b) Notwithstanding what appears in Schedule 7 of item 6(2) and Schedule 2 item 4(2) and 4(3) of the Municipal Systems Act in relation to the staff members, any person who is "in the service of the state" as defined in the MFMA Supply Chain Management Regulations is prohibited from 1 July 2005, under regulation 44 of the said regulations, from conducting business with or being awarded tenders by the Municipality or any other organ of state.

c) Declaration of gifts by councillors

i. Schedule 7 of Local Government Municipal Structures Amendment Act No 3 of 2021 requires the council to declare gifts above R1000.00 in writing.

ii. the value of gifts received from a single source in any calendar year exceeds the threshold of R1,000.00 or the amount determined by the Minister in terms of sub-regulation (i).

iii. A declaration of gifts received by a councillor must –
    a. contain a description of the gifts; and
    b. indicate the value and source of such gift or gifts.

iv. Failure to declare a gift(s) in terms of sub-regulations (1) and (2) is a breach of the Code.

v. Gifts received by a councillor above the prescribed amount must be recorded in a designated council's gifts register that must be developed by the municipality, which must include the following –
        i. full names, address and contact number of the person or organisation from whom the gift was accepted
        ii. value of the gift received or of all gifts received with a value greater than R1,000.00 or cumulative gifts received from the same person or organisation over a period of twelve-months; and
        iii. the relationship between the councillor accepting the gift and the person or organisation providing the gift.

vi. A councillor accepting the gift must also make the person or organisation providing the gift aware that their details will be included in the gifts

register of the council subject to the provisions of the Protection of Personal Information Act, 2013 (Act No. 4 of 2013).

vii. A councillor must ensure that any gift declared on the gifts register is recorded within ten working days of receipt thereof.

viii. A councillor must ensure that the details recorded in the gifts register are true and correct.

ix. A municipality must ensure that a gifts register is kept for councillors to declare their interests as provided for in item 8 of the Code.

x. The municipal council must determine which of the financial interests must be made public having regard to the need for confidentiality and the public interest for disclosure.

d). Furthermore, the Supply Chain Management Policy provides directives for appropriate ethical behaviour with regard to gifts, awards, and/or special favours made to councillors or officials of the Municipality. Such directives shall be read in conjunction with the code of conduct for councillors and employees as contained in schedule 7 of Structures Act and schedule 2 of the Systems Act. Should any conflict of interest arise, except with regard to section 12.b of this policy, such interest(s) shall be declared in writing to Council.

14 TRAINING, EDUCATION AND AWARENESS

a) It is the responsibility of the Municipal Manager to ensure that all employees and councillors receive appropriate training and education with regard to this policy.

b) The Municipal Manager will ensure that this policy is widely publicised to all relevant stakeholders (internal and external), and is made available on the municipality's website. The Municipal Manager will also ensure that the contents of this policy are communicated to Ward Councillors, Ward Committee members, and displayed in Municipal Libraries, so that it is accessible to members of the public.

15. MONITORING AND EVALUATION

a. The implementation of this Policy shall be continuously monitored and evaluated to ensure its effectiveness in preventing, detecting, and responding to fraud and corruption within Amahlathi Local Municipality.
b. The Risk & Compliance Management Unit, in collaboration with Internal Audit and other relevant governance structures, will be responsible for tracking compliance, assessing the adequacy of internal controls, and reporting on identified fraud and corruption risks.
c. Regular reports shall be submitted to Management, the Audit and Performance Audit Committee, and Council.

16. ADMINISTRATION

The custodian for the implementation of this policy is the Municipal Manager.

17. POLICY REVIEW

a. The Policy shall be reviewed periodically, or as and when necessary, to ensure alignment with legislative changes, emerging risks, and best practices in anti-corruption and fraud prevention.
b. This policy will be reviewed once every financial year and appropriate changes will be made should these be required, anytime during the financial year, through a Council resolution to that effect.

18. DEVIATION CLAUSE

a. Any deviation from the provisions of this Anti-Corruption and Whistle-Blowing Policy shall only be permitted under exceptional circumstances and must be fully justified, documented, and approved by the Municipal Manager or a delegated authority, in line with applicable legislation and internal delegations of authority.
b. All deviations must be supported by clear reasons, must not undermine the objectives or principles of the Policy, and must comply with the principles of transparency, accountability, and good governance.
c. Approved deviations shall be recorded in a formal register and reported to the relevant governance structures, including the Audit and Performance Audit Committee, for oversight and monitoring purposes.

19. DISPUTE RESOLUTION

a. Any dispute arising from the interpretation, application, or implementation of this Anti-Corruption and Fraud Prevention Policy shall be resolved through the Municipality's established internal dispute resolution and grievance procedures.

b. Where applicable, matters shall first be addressed at the lowest possible level through consultation and internal engagement between the relevant parties. If unresolved, the matter shall be escalated in accordance with the Municipality's disciplinary, grievance, or labour relations procedures, as guided by applicable legislation and collective agreements.

c. Where disputes relate to allegations of fraud or corruption, such matters shall be handled with confidentiality, fairness, and due process, and may be referred to the appropriate external authorities where required by law.

20. ADOPTION AND APPROVAL OF THE POLICY BY COUNCIL

This policy is adopted and approved by Amahlathi Local Municipality Council for implementation.

Effective from (Date)_____

Approved by Resolution Number _____ on this the _____day of _____20___

Signed this on the _____ day of _____ 20_____.

_____ _____

DR. Z. SHASHA **DATE**

MUNICIPAL MANAGER

_____ _____

CLLR N. MLAHLEKI **DATE**

SPEAKER