

**King Sabata Dalindyebo Local Municipality
Municipal Integrity and Ethics Policy**



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Definitions

In this Policy, unless the context indicates otherwise-

| NO | TERM | DEFINITION |
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| 1. | In relation to this policy, Close family Member | Means his or her parent, sister, brother, child, or spouse. (a) including a person living with that person as if they were married to each other, namely a life partner; (b) whether such relationship results from birth, marriage, or adoption; (c) including any other relative who resides permanently with that person; and (d) including any other relative who is of necessity dependent on such person. |
| 2. | Conflict of interest | A conflict between the public duties and private interests of a councilor or an employee, in which the councilor / employee has private interests, which could improperly influence the performance of his/her official duties and responsibilities. |
| 3. | Corruption | Any offence in terms of the Prevention and Combating of Corrupt Activities Act, 2004 (Act No 12 of 2004). |
| 4. | Disciplinary Board | The disciplinary board appointed by Council in terms of the Municipal Regulations on Financial Misconduct and Criminal Proceedings, 2014 |
| 5. | Ethics | Broadly defined as well based standards of right and wrong that prescribe our rights, obligations, and benefits to society. Ethics is about how we ought to live, treat others, run, or manage our lives and organisations |
| 6. | For purposes of this policy, an EMPLOYEE means | Any person who works for the KSDM Council and who receives, or is entitled to receive, any remuneration; and any other person who in any manner assists in carrying on or conducting the business of the Council. For purposes of this Policy, employee includes independent contractors, labour broker employees, persons seconded from other local, provincial, or national government, or seconded from any entity belonging to a local, provincial, or national government. |
| 7. | Employment | Appointment in, or secondment to, the KSDM for which the appointee receives remuneration or is rewarded for performance of work. |
| 8. | Financial Misconduct | Is financial misconduct as contemplated in the MFMA and regulations |
| 9. | Gift | A token which is bestowed voluntarily without any expectation of tangible compensation, and for which no direct or indirect contractual obligation are imposed. |
| 10. | Gratuity / Gratification | Includes— a) money, whether in cash or otherwise. b) any donation, gift, loan, fee, reward, valuable security, property, or interest in property of any description, whether movable or immovable, or any other similar advantage. c) the avoidance of a loss, liability, penalty, forfeiture, punishment, or other disadvantage. d) any office, status, honor, employment, contract of employment or services, any agreement to give employment |

| | | |
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| | | <p>or render services in any capacity and residential or holiday accommodation.</p> <p>e) any payment, release, discharge or liquidation of any loan, obligation, or other liability, whether in whole or in part.</p> <p>f) any forbearance to demand any money or money's worth or valuable thing.</p> <p>g) any other service or favour or advantage of any description, including protection from any penalty or disability incurred or apprehended or from any action or proceedings of a disciplinary, civil, or criminal nature, whether already instituted, and includes the exercise or the forbearance from the exercise of any right or any official power or duty.</p> <p>h) any right or privilege.</p> <p>i) any real or pretended aid, vote, consent, influence, or abstention from voting; or</p> <p>j) any valuable consideration or benefit of any kind, including any discount, commission, rebate, bonus, deduction, or percentage</p> |
| 11. | Hospitality | Food, drink, entrance to events, accommodation or entertainment provided free of charge or heavily discounted and for which no direct or indirect contractual obligations are implied. |
| 12. | Integrity / Ethics | The faithful and consistent application of generally accepted public values and norms in the daily practice of public sector institutions; the proper use of powers, authorities, assets, resources, and funds according to the official purpose for which they are intended, with the end view of promoting public welfare |
| 13. | Integrity / Ethics Management | The continuous process of building, enforcing, and fostering a culture of Integrity / Ethics within an organization; |
| 14. | Integrity / Ethics Management Committee | The committee appointed by Council to manage; oversee and /or monitor Ethics and Integrity / Ethics and related conduct at KSDLM |
| 15. | The Integrity / Ethics Management Policy | The policies, procedures, principles, and guideline implemented by the KSDLM from time to time to prescribe ethical behavior and Integrity / Ethics in the KSDLM; |
| 16. | Inside Information | Any confidential information classified or not, to which a councilor / employee has access by virtue of official position, and which has not been made available to the public. |
| 17. | Remunerative work | Any work performed by a councilor / an employee outside employment for which a reward or pay for services rendered is made. |
| 18. | Sexual harassment | Sexual harassment is unwanted conduct of a sexual nature, i.e., in the form of unfair discrimination based on sex and or gender and or sexual orientation which infringes the rights of the complainant and constitutes a barrier to equity in the workplace. |
| 19. | Bribery | Bribery involves the promise, offering or giving of a benefit that improperly affects the actions or decisions of an KSDLM employee / councilor. This includes sexual bribery. |
| 20. | Commissioner of Integrity / Ethics | External independent person appointed by Council to act as the head of investigations, the chairperson of the Integrity / Ethics Management Committee as the chairperson of the Loss and Consequence Control Committee |

| ACRONYM'S | EXPLANATION |
|-----------|---|
| KSDLM | King Sabata Dalindyebo Local Municipality |
| I/EMC | Integrity / Ethics Management Committee |
| COI/E | Commissioner of Integrity / Ethics |
| RCM | Risk Management Committee |
| APAC | Audit and Performance Audit Committee |
| MFMDB | Municipal Finance Misconduct and Disciplinary Board |
| LSU | Legal Service Unit |

Part A – Municipal Integrity / Ethics Management Policy

1. Introduction

Integrity / Ethics, performance excellence, transparency, community centeredness and co-operative governance are core values for KSDLM. Integrity / Ethics means to act consistently on a set of ethical principles. Ethics are rules of conduct aimed at ensuring morally justifiable behavior and ethical conduct is inherently the right thing to do. Earning and continuing to command trust are fundamental to the success of the KSDLM. Our stakeholders should be confident that we will deal with them fairly and ethically.

Corruption, misconduct, and unethical behavior among public officials represents serious threats to the basic principles and values of government, undermining public confidence in democracy and threatening to erode the rule of law. Unethical behavior leads to a corrupt society in which economic and political decisions become distorted, slowing social progress, hampering economic development, and obstructing service delivery. Appropriate ethical behavior in providing services to our community is essential to creating and maintaining a healthy, fair, and just environment of value and benefit to all.

The Municipal Integrity / Ethics Policy ('the Policy') seeks to confirm KSDLM's position and to uphold the values and principles through high standards of Ethics and Integrity. The Policy consists of the Municipal Integrity / Ethics Policy (**the Policy**), Municipal Integrity / Ethics Principles (**the principles**), the adapted Municipal Code of Conduct and the Anti-Fraud and Corruption Policy. The Policy sets out the standards which guide how the municipality will conduct its services through a high standard of Integrity / Ethics and ethical behavior. The Policy makes it clear that the KSDLM is implacably opposed to corruption and unethical behavior. It sets out the behaviors that underpin the policy, processes, and procedures for the work of

KSDLM. It is designed to highlight Integrity / Ethics as a key consideration in decision making and in our dealings with ourselves and others.

The Policy prescribes the appropriate processes for disciplinary action to be taken in the event of non-compliance with ethical standards and principles. The Policy addresses the following behavior that could jeopardize the Integrity / Ethics of KSDLM councilor's / employees and its stakeholders as it may result in unethical behavior and/or corruption:

- a) Conflict of interest.
- b) Fraud, bribery
- c) Gifts, entertainment, hospitality, and other benefits.
- d) Unauthorized remunerative work outside KSDLM.
- e) Private work outside KSDLM (Extraneous employment/moonlighting)
- f) Post-public employment
- g) Nepotism and favoritism.
- h) unauthorized use of KSDLM assets.
- i) Facilitation payments.

2. Policy Statement of Commitment

'Integrity / Ethic's as KSDLM value officially commits us to "maintain the highest level of ethics, fairness, and transparency in our interaction with each other, customers, and all other stakeholders". Transparency and openness are important supporting behaviors of ethical conduct. The fundamental ethical principles of responsibility, honesty, fairness, and respect provide the four cornerstones of our approach to good governance. KSDLM commits to the following:

a) Serving our community

King Sabata Dalindyebo Local Municipality (KSDLM) commits to serving its community and stakeholders in a manner which is always free of corruption and acts in the legitimate interests of all stakeholders involved and discharge their duties with Integrity / Ethic's, faithfulness, confidentiality, efficiency, competence and in a non-discriminatory manner.

b) Respect

KSDLM commits to upholding basic respect for all individuals and their differences. KSDLM does this by upholding fundamental human rights and dignity of all people.

As local government, the KSDLM has a primary duty to play a positive role in the communities we serve.

c) Unbiased judgement

Employees and or councilors of KSDLM must not accept, offer, or solicit gratification of any kind which may be perceived to, or attempt to influence any decision related to work or affect the impartial judgement of employees and or councilors.

“Awareness and respect of local laws and guidelines”

KSDLM councilors / employees and stakeholders will uphold all applicable laws and regulations as well as policies and guidelines regarding corruption and unethical behavior, and are obliged to, promptly, report misconduct and/or criminal behavior to KSDLM management and/or the anti-fraud hotlines within a reasonable time. In addition to compliance with this policy, all councilors / employees and stakeholders have a duty to uphold and respect the laws of the country.

d) Bribery and Corruption

KSDLM will not engage in, nor tolerate, any corrupt, dishonest, or illegal practice such as bribery or fraud. It is unacceptable to directly or indirectly offer, pay, solicit, or accept bribes in any form. No councilor / employee shall directly or indirectly request, accept, offer, or grant a personal advantage in connection with a business activity. No councilor / employee shall make or accept any payment or kickback, nor offer or accept improper financial advantage to or from any person or company; or an official of a government or government-controlled entity for the purpose of obtaining a permit, authority, business, or other services.

KSDLM seeks to prevent, detect and to react to the blight of corruption. KSDLM will neither ignore nor acquiesce with the tide of corruption, nor will it consider that local corruption is cultural and unchangeable. The KSDLM will neither initiate nor accede to corrupt practices. Corrupt activity including but not limited to bribery; fraud, sexual harassment; extortion; abuse of power or assets; abuse of privileged information; conflict of interest; gratification or nepotism, will not be tolerated. We will neither give nor accept bribes, nor permit others to do so in our name.

e) Ethics

KSDLM continually strives to improve the Ethics within its organization. It is the individual responsibility of each councilor / employee. To this extent, every councilor / employee of KSDLM shall always:

- (i) Act within his / her powers and in the best interest of and for the benefit of KSDLM
- (ii) Carry out his / her duties with the skill and care to be expected from persons of their knowledge and experience, and their position/relationship within KSDLM; and
- (iii) Ensure that his/her conduct is always based on honesty, fairness, transparency, and Integrity / Ethics.

SUMMARY OF KSDLM`s INTEGRITY / ETHICS COMMITMENT

The King Sabata Dalindyebo Local Municipality (KSDLM) seeks to employ and work with business and social partners who share KSDLM's commitment to Integrity and Ethics. The following is a summary of the key Principles contained in the KSDLM's Integrity and Ethics Policy.

- (i) KSDLM, its councilors / employees and stakeholders will always comply with relevant legislation.
- (ii) KSDLM, its councilor / employees and stakeholders will not solicit, give, or offer to give, accept, or offer to accept any gratification or facilitation payments.
- (iii) KSDLM councilor`s employees will avoid conflicts of interest and shall declare any personal financial or business interest or that of a close family member.
- (iv) KSDLM councilor`s / employees and stakeholders shall avoid receiving or offering any gift, gratuity or entertainment that might be perceived to unfairly favoring a business relationship, or which, if made public, could reasonably damage the reputation or good standing of KSDLM.
- (v) KSDLM councilor`s / employees and officials will refrain from doing business with ANY municipality and/or municipal entity.
- (vi) KSDLM councilors / employees and stakeholders shall always behave in a manner not likely to have a negative impact on the reputation of KSDLM.
- (vii) KSDLM councilor`s employees and stakeholders shall refrain from any form of discrimination or harassment.
- (viii) KSDLM councilors / employees and stakeholders undertake to investigate any allegations that breach this Policy and where necessary the KSDLM will

follow the disciplinary/legal process wherever the Integrity / Ethics of the municipality is compromised.

- (ix) KSDLM councilors / employees and stakeholders share the vision of the municipality to maintain high standards of governance and Ethics in all that we do.
- (x) KSDLM Councilors / employees and KSDLM's stakeholders must maintain strict compliance to all laws and regulations, governance principles and policies adopted by Council.
- (xi) KSDLM Councilors / employees and KSDLM's stakeholders must always be accountable to the community and all stakeholders.
- (xii) KSDLM Employees must always apply for permission to perform private work outside KSDLM.
- (xiii) KSDLM Employees and KSDLM stakeholders are obligated to report any alleged acts of misconduct.

3. Purpose

The purpose for introducing the KSDLM Integrity / Ethics Policy is to strengthen measures and principles for managing ethical behavior, to promote and inculcate an ethical culture at all levels within the KSDLM and to prevent fraudulent and corrupt activity within KSDLM.

The Policy prescribes principles for managing unethical conduct that can arise because of non-compliance with the Code of Conduct and due to contravention of KSDLM values.

In adopting the Policy, KSDLM seeks to:

- a)** Establish a common understanding of Integrity and / Ethics to be observed and adhered to by all KSDLM councilor`s, employees, and stakeholders; and
- b)** Prevent the infringement of Integrity and Ethics by defining unacceptable behavior in municipal service by all KSDLM councilor`s, employees, and stakeholders.
- c)** Ensure annual signing of the Code of Conduct and submitted to Corporate Services.

4. The objectives of the KSDLM Integrity / Ethics Policy are to:

- (a)** Foster a culture of good governance and ethical conduct within KSDLM.
- (b)** Promote legal compliance.

- (c) Provide an Ethics and Integrity / Ethics Policy for KSDLM council, management, employees, and stakeholders to enhance service delivery and ensure accountability, transparency, fairness, and responsibility and thereby promoting excellence.
- (d) Ensure that the KSDLM acts in line with best practices about improved governance and accountability.
- (e) Entrench an Ethics culture in the processes and systems of the KSDLM across all departments and levels.
- (f) Ensure an integrated approach in the management of Integrity / Ethics in KSDLM by adopting a common language, process, and methodology.
- (g) Use Ethics management as a tool for transformation and capacity building; Encourage value-based management.
- (h) Encourage improved knowledge and information management processes and culture; and
- (i) Discourage inefficiencies and counter dishonesty, bribery and corruption or similar conduct; and
- (j) Manage and monitor Ethics and Fraud risks within KSDLM.

5. Scope of application

This Policy shall apply uniformly to all councilors, employees throughout the municipality; and all stakeholders in as far as Integrity and Ethics Management is concerned, when doing business with KSDLM. Each KSDLM councilor, employee and stakeholder is required to know and understand the Policy and its relevance to their areas of responsibility.

6. Regulatory Frameworks

KSDLM must above all else, comply with all laws and regulations applicable to the municipality.

This Integrity / Ethics Policy should be read in conjunction with the following Frameworks, procedures, and relevant statutes, including but not limited to:

- (i) Constitution of the Republic of South Africa, No. 108 of 1996.
- (ii) Public Service Integrity Framework
- (iii) National Treasury Regulations
- (iv) Basic Conditions of Employment Act, No. 75 of 1997 Employment Equity Act, No. 55 of 1998.
- (v) Labour Relations Act, No. 66 of 1995
- (vi) Prevention and Combating of Corrupt Activities Act, No. 12 of 2004
- (vii) Protected Disclosures Act, No. 26 of 2000
- (viii) Local Government: Municipal Systems Amendment Act, No. 32 of 2000 as amended
- (ix) Local Government: Municipal Finance Management Act, No. 56 of 2003
- (x) Municipal Supply Chain Management Regulations.

The KSD Municipal Integrity / Ethics Policy

- (xi) Local Government Municipal Structures Act, No. 177 of 1998 as amended.
- (xii) Rationalisation of Local Government Affairs Act, No. 10 of 1998.
- (xiii) Public Service Act, No. 103 of 1994 Public Service Regulations, 2001.
- (xiv) Municipal Financial Misconduct Regulations Municipal Disciplinary Regulations.
- (xv) Protection of Personal Information Act
- (xvi) Electronic Communications Transactions Act
- (xvii) Minimum Information Security Standards (MISS).
- (xviii) Code of conduct for Municipal Staff
- (xix) Disciplinary Procedure Collective Agreement Corporate
- (xx) Gifts and Promotional Items Policy
- (xxi) Risk Management Strategy Risk Management Policy
- (xxii) King Report on Corporative Governance (Applicable Code) Compliance Policy and Manual
- (xxiii) Forensic Investigations Methodology & Investigation

7. Guidelines

7.1 The Local Government Integrity / Ethics Management Policy

The Municipality has adopted the Integrity / Ethics Policy as outlined in the local government Policy. The Policy sets out the responsibility of municipalities in implementing the Ethics and Anti – Fraud and Corruption Plan:



Figure 1 - Schematic diagram of the Local Government Integrity / Ethics Management Policy

Municipal leadership should set the tone and drive good governance, organizational Integrity / Ethics, and anti-corruption initiatives.

Communities must be acknowledged as the 'owners' of municipalities and initiatives must be put in place to ensure transparent and accountable governance, and community oversight.

Appropriate governance structures should be in place and should ensure effective governance, oversight, and the implementation of the Integrity / Ethics Management Policy. There should be sufficient capacity to implement the Integrity / Ethics Management Policy.

7.2 Municipalities should institutionalize Integrity / Ethics management initiatives based on the four pillars of:

- a) Prevention
- b) Detection
- c) Investigation; and
- d) Resolution.

Effective information management systems should be implemented, and municipalities must submit reports to appropriate entities to ensure transparency through monitoring, oversight, and accountability.

The following diagram gives an overview of the four-pillar approach to Integrity / Ethics management:

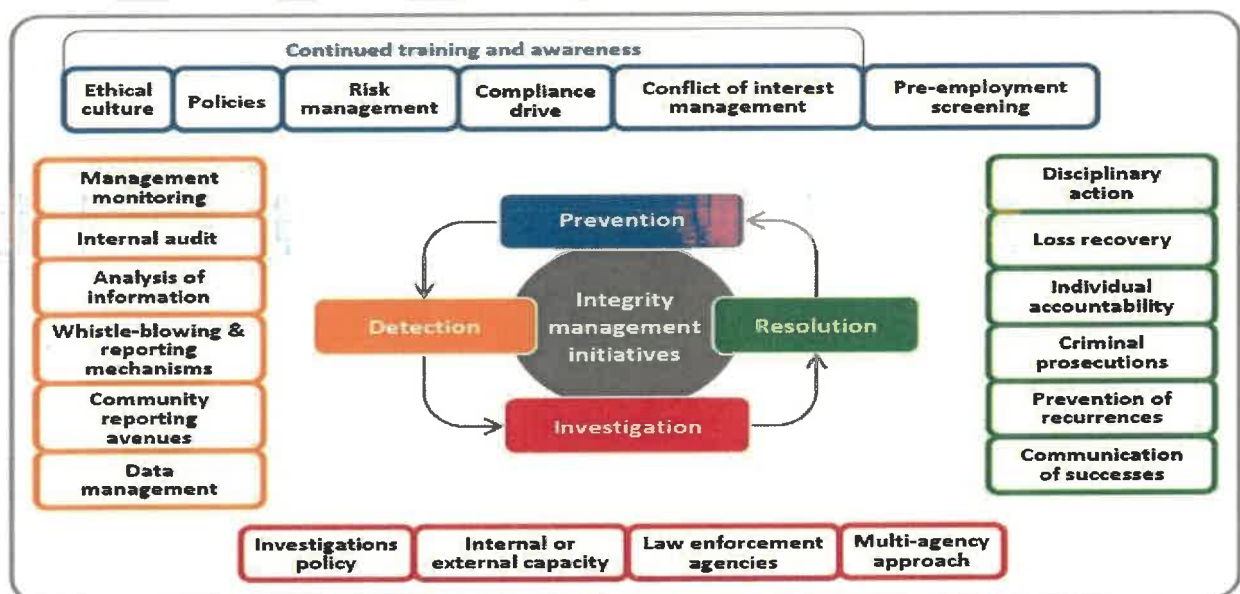


Figure 2 - Schematic diagram of the integrity management initiatives

8. Governance of the Integrity / Ethics Management Programme

The Public Sector Integrity / Ethics Management Framework requires all government entities to have an Integrity / Ethics Management Committees, Integrity / Ethics Management Champions and Integrity / Ethics Officers and other governance structures that will oversee and monitor implementation and compliance of the Policy.

Building an ethical culture in an organisation starts with the leadership of the organisation. Without a strong and clear leadership commitment, any attempt to introduce an Integrity / Ethics culture and ethos may be ineffective.

To make Ethics an integral part of the business and culture of the organisation, governance structures are required to ensure that Ethics Management always gets sufficient resources and leadership attention, and that it is aligned to KSDLM's key strategic deliverables. Use of the term Integrity / Ethics management in this document includes the management of ethics, fraud, and corruption, and can be referred to interchangeably.

8.1 Leadership commitment

The Leadership of KSDLM commits to drive good governance, organizational Integrity / Ethics, and anti-fraud and corruption initiatives. Councilors set an ethical tone of the municipality, ensuring sound governance and strong oversight in the interest of the community. The Municipal Manager will provide ethical leadership in the administration of the municipality and will ensure that the municipality has a strong programme to promote Integrity / Ethics and fight fraud and corruption. The Municipal Manager directly portrays the ethical character, reputation, and credibility of KSDLM to all stakeholders. As influencers of behavior, opinion formers, policy makers, decision makers and role models, leaders act as representatives of the KSDLM's ethical credibility. The power of individuals in senior management positions determines the extent to which ethical behavior will be modelled. The Municipal Manager is therefore in the best position to influence corporate ethical behavior.

8.2 Governance Structures

Appropriate governance structures should be in place to consistently ensure good governance and the implementation of Integrity / Ethics and anti-fraud and corruption programme and there must be sufficient capacity to implement the Integrity / Ethics management requirements.

Governance and management structures in KSDLM must ensure that Ethics remains a strategic consideration that is effectively managed and monitored. The following governance structures and offices are critical for optimal implementation of anti-fraud and corruption, and Integrity / Ethics management:

8.2.1 Integrity / Ethics Management Committee ('I/EMC')

The I/EMC is established as a committee for the management and promotion of integrity / ethics, fraud prevention, financial and general misconduct in the municipality and will function in a dual role as a Risk Management Committee and Integrity & Ethic Management Committee. The core purpose of the Integrity / Ethics Management Committee (I/EMC) is to provide strategic guidance to the KSDLM on, as well as oversee and/or monitor the implementation of, the municipality's Integrity / Ethics program and anti-Fraud and Corruption Plan within the Municipality.

For the I/EMC to have standing and credibility in KSDLM, it collectively must have a high level of Integrity / Ethics. An organisation that has an I/EMC clearly demonstrates to all stakeholders that institutionalizing Integrity / Ethics is a corporate priority. Besides its strategic and oversight role, the I/EMC also has a powerful symbolic value, in that it conveys the message that the organisation is genuinely committed to ethics and anti-fraud and corruption management.

In addition, the I/EMC shall also deal specifically with assessment of significance of the misconducts in as far as risk management is concerned in terms of Section 62 (1) (c) (i) of the MFMA; Public Sector Risk Management Framework; King IV Code on Corporate Governance; and ISO31000 Risk Management guidelines. I/EMC can establish sub-committees for purposes of undertaking further investigations where necessary, however this does not

remove the accountability of the I/EMC as the overarching body on all investigative matters in the institution.

8.2.1.1 Composition of the I/EMC

The I/EMC shall be chaired by an independent Commissioner of Integrity / Ethics and or Risk Management Committee Chair as dual committees and shall be seconded from Audit and Performance Committee, and the Risk Management Office will be the secretariat. The committee shall be governed by Terms of Reference approved for Risk Management Committee and I/EMC and shall be made up of the following members as members of the Risk Management Committee:

- a) All directors and below standing invitees,**
 - i. Head Legal Services
 - ii. Chief Audit Executive
 - iii. Chief Risk Officer

8.2.1.2 Role of the I/EMC

The Integrity / Ethics Management Committee will be responsible for the following:

- a) Oversee and or monitor the Integrity / Ethics -management programme and management of integrity / ethical risks as well as institutionalizing Integrity / Ethics,**
- b) Oversee and or monitor fraud and corruption prevention, and similar misconduct investigations,**
- c) Report on cases, outcomes and or implementation of recommendations of fraud and corruption cases to Council.**
- d) Monitor whether disciplinary sanctions for fraud and corruption and similar misconduct are imposed in line with the laws of the Republic of South Africa and the policies of KSDLM.**
- e) Monitor whether all cases in relation to general misconduct are investigated by municipality and reported to the I/EMC and Risk Management Committee.**
- f) Liaise closely with other oversight structures of the KSDLM, as and when necessary.**
- g) Refer disciplinary matters to appropriate disciplinary committees on transgression of this policy and any other municipal policy or code and perceived unwelcome and unethical conduct.**

- h) Delegate determination of sanctions applicable on (g) above to matters of financial discipline and loss control to Municipal Financial Misconduct and Disciplinary Board and Loss Control Committee.
- i) Refer to the Financial Disciplinary Board to investigate any financial misconduct.
- j) Where there are allegations against the Municipal Manager or the Executive Mayor, the I/EMC shall refer the allegations to an independent Municipal Financial Misconduct and Disciplinary Board to investigate such allegations for reporting to Council.
- k) Provide reports and recommendations to Audit and Performance Audit Committee for Council and any other council structure as maybe be required.
- l) Monitor the institution of disciplinary proceedings against an alleged transgressor charged with misconduct on unwelcome or unethical conduct.
- m) Provide recommendations on further steps to be taken regarding disciplinary proceedings or any other relevant steps to be taken in respect of misconduct or unethical and unwelcome conduct.

8.2.1.3 Reporting protocol of the I/EMC

Since the I/EMC incorporates the role of the Risk Management Committee as will be envisioned by the Risk Management Terms of Reference, the I/EMC will report directly to the Audit and Performance Audit Committee of Council on cases of unethical or unwelcomed conduct in relation to incidents, and allegations raised against any municipal personnel.

The committee will table quarterly reports to the Audit and Performance Audit Committee in relation to all aspects of ethics, fraud, and corruption matters. Furthermore, there will be a direct flow of information to other oversight structures i.e., Audit and Performance Audit Committee, Municipal Public Accounts Committee (MPAC), Municipal Finance Misconduct and Disciplinary Board and the Mayoral Committee.

8.2.2 Commissioner of Integrity / Ethics 'COI/E'

The office of the Commissioner of Integrity / Ethics – Chief Operations Officer (COO) assumes dual responsibility and will table quarterly reports to I/EMC – RMC for processing to the APAC. The COI/E is responsible for the following:

- Monitors the investigations undertaken internally by the relevant departments.

- Ensuring the implementation of recommendations arising from investigations undertaken by municipality, or any other investigative teams appointed in terms of resolutions taken by management and council committee in line with applicable policies and legislations.
- Instituting civil or criminal action and reporting cases of fraud and corruption to Audit and Performance Audit Committee, Council, and the SAPS and Auditor General where applicable and as per legislation,
- Ensure the monitoring implementation of remedial action and other recommended action as per the outcomes of investigations.

The office of the Chief Operations Officer (COO) through the Risk Management Unit will in the meantime harness the efforts with respect to the monitoring, reporting and enforcement mechanisms effecting remedial action to address the incidents of fraud and corruption in the Organization, which will table quarterly reports to I/EMC, RMC, APAC, and Council.

8.2.2.1 Standards of Ethical Conduct

The COI/E must uphold the standards of Integrity / Ethics and ethical values of the organisation. In doing so the COI/E is required to: -

- a) abide by the principles, rules and obligations of this Policy and all related codes, practices, legislation.
- b) uphold the law.
- c) act on all occasions in accordance with the public trust placed in him/ her.
- d) discharge his/ her obligations, in terms of the Constitution, by placing the public interest and that of the organization above any other.
- e) In the performance of their duties and responsibilities, be committed to the eradication of all forms of fraud, corruption, and other criminal behavior in the organisation.
- f) Not engage in any activity that will or has the potential to bring his office and the organisation into disrepute.
- g) Where the COI/E is found guilty of such conduct, his/her contract may be terminated with immediate effect.

8.2.2.2 Roles and Functions of the Commissioner of Integrity / Ethics:

The COI/E – Chief Operations Officer (COO) functions and duties include the following:

- a) To monitor and ensure implementation of recommendations pursuant to investigations of allegations conducted.
- b) Facilitation of a culture of public service and accountability and support the prevention and combatting of corruption.
- c) To monitor and report on activities of the Anti-Fraud Hotline and the municipalities fraud case register.
- d) Enforcement of municipal prescripts / clauses on the municipal code of conduct.
- e) Receive, ensure implementation, and monitor findings of investigations from other departments.
- f) Institutionalize liaison with external law enforcement agencies, and become internal link for these processes to ensure the full extent of the law is enforced and cases are finalized i.e.,
 - Penalties / Compensation / Recovery/ Preservation/ Forfeiture/ Confiscation/Disciplinary/ Dismissal / Civil action and motion proceedings in terms of the Criminal Procedure Act, Prevention and Combatting of Corrupt Activities Act; and Prevention of Organized crime Act or any other applicable legislation.
 - Ensure an end-to-end process in combating fraud and corruption – that all cases from inception are consistently investigated and finalized in a consistent manner.
- g) The COI/E will allow the relevant departments or those appointed by Municipal Manager to do investigations and simultaneously submit reports to the I/EMC and Risk Management Committee.
 - Initiate in consultation with Loss Control Committee, recovery of lost funds to aid in service delivery efforts, thus ensuring compliance with section 32 of the MFMA.
 - Advance a culture of responsible workforce actions which aid in the detection, investigation and reduction or eradication of incidence of fraud and corruption.
- h) Follow-up of cases reported and ensure finality.

- i) Seamlessly complement and support other functions i.e., Risk Management, Internal Audit, Labor, Legal and any other relevant departments.
- j) Liaison with the Risk Management Unit is fundamental as potential risks would be identified and be used as a base source for reviews, detection and prevention of fraud and corruption.
- k) Co-ordinating reports on different matters emanating from the Integrity / Ethics Policy, and duly reporting to I/EMC and to facilitate “a culture of public service and accountability, and prevention of corruption”.
- l) The report of the I/EMC will be tabled by the Audit and Performance Audit Committee chairperson to the Council.
- m) Guide reporting to, for full investigation through the appointment of investigators for allegations of financial misconduct under the authority of the Municipal Financial Misconduct and Disciplinary Board.

8.2.3 Municipal Public Accounts Committee (MPAC)

The role of MPAC as a Section 79 Committee of Council plays an integral role in monitoring financial transactions, suspicion of imprudent financial management and holds the executive to account. This committee will be kept abreast of all cases of fraud and corruption, the findings and recommendations and enforcement of sanctions imposed. The Committee has the following roles and responsibilities:

- a) To oversee all programmes of the municipality and to investigate value for money on projects – overseeing the planning and implementation of projects against expenditure.
- b) To instruct other committee members, management, and other employees to be present at a given meeting to hear and answer for themselves and for possible interview and input regarding items of the agenda of the Council to direct any matter for investigation within its terms of reference.
- c) To have direct access to internal and external auditors and to direct investigations in any matters when necessary.
- d) The Committee should have permanent referral as they become available, of:
 - all accounts and financial statements of the municipality.
 - all reports of the Auditor-General.

- all reports of the Audit and Performance Audit Committee and the I/EMC
 - Information on compliance (see section 128 and 133 of the MFMA).
 - Information in respect of any disciplinary actions taken in terms of the Municipal Finance Management Act (MFMA).
 - Information in respect of transgressions in terms of the MFMA.
- e) To summon any person to give evidence before it, or to require any person or institution to report to it. If in the interest of accountability, the Committee will not refrain from calling individuals who were responsible at the time of the events, even though they may since have taken up another position or resigned from the municipality.
- f) To receive technical support from the Internal Audit office.
- g) To hold public hearings and instruct other committee members, management, and other employees to be present at a given meeting to hear and answer for themselves and for possible interview and input regarding items of the agenda.
- h) To monitor the extent to which its recommendations and those of the Auditor General are carried out.

8.2.4 Integrity / Ethics Office

A structured, formalized, and dedicated approach to the management of Integrity and Ethics in a concerted way is required. This function will be executed by the Integrity / Ethics Office currently situated in the Risk Management Office. The Office, in consultation with the I/EMC, must ensure the implementation of the Integrity / Ethics Policy and creating awareness amongst all councilors, employees and stakeholders, monitoring the implementation of the anti-fraud strategy. For the Integrity / Ethics Office to execute a fully-fledged Ethics programme, the following functions are required:

- a) Managerial capacity: The Integrity / Ethics Office will plan and coordinate the various aspects of an Integrity / Ethics Management process and liaise with role players at all levels of KSDLM.
- b) Policy-development capacity: The Integrity / Ethics Office will play a key role in embedding the central repository pertaining to gifts, disclosures and moonlighting, and policies related thereto.

- c) Training capacity: The Integrity / Ethics Office will be responsible for ensuring that new and existing staff are familiar with the Integrity / Ethics standards and policies of the municipality.
- d) Communications Capacity: The Integrity / Ethics Office will communicate important Integrity / Ethics developments to KSDLM and maintain a high level of integrity / ethics awareness in KSDLM. This will be done through the I/EM & Risk Management Unit and Communications Unit.
- e) Administrative capacity: The Integrity / Ethics Office will administer processes associated with the implementation of policies, like keeping records of declarations of interest and maintaining gift registers.
- f) Advisory-role capacity: The Integrity / Ethics Office will provide advice to members of staff who have queries regarding the Integrity / Ethics standards and policies of the organisation.
- g) Risk Management: track of all relevant data such as Integrity / Ethics breaches, trend analysis, types of incidents, management and mitigation of ethics and fraud risks.

The Integrity / Ethics Office as Risk Management Unit will also be the collective owner of the Integrity / Ethics Management Policy, Anti - Fraud and Corruption Plan, and Policy.

8.2.5 Council of KSDLM

The Council of KSDLM is ultimately accountable for ethical conduct within KSDLM. To this end the Council supports the Municipal Manager who appoints the Integrity / Ethics Management Committee to ensure that KSDLM implements effective Anti - Fraud Plan, Ethics policies, structures, and programmes to institutionalize and monitor ethics and fraud within the municipality as approved by council.

8.2.6 Legal Services Unit (LSU)

The LSU is responsible to ensure that all incidents reported into the municipality through various platforms, are assessed and investigated. The division is tasked with the following:

- a) Recording all incidents on a single, managed incident database (spreadsheet)
- b) The nature of the allegation
- c) If the allegation does not relate to the LSU mandate, it must be referred to the relevant department who would best resolve such matter (i.e., HR related

grievance). Close out reports for such cases must be submitted by the relevant department to the LSU once finalized.

- d) If the allegation relates to financial misconduct against the Municipal Manager, it must be referred to the Executive Mayor and the MPAC for investigations as per the Financial Misconduct Regulations,
- e) Where there are allegations of financial misconduct, the department must report on such allegations to Council next sitting, in the form of an allegations register.
- f) If the allegation does relate to fraud, corruption, and unethical conduct (and not financial misconduct), the matter must be investigated by municipality and reported to the relevant HOD and I/EMC and referred to the Office of the Commissioner of Integrity / Ethics or Risk Management Office for direct action/ response.
- g) All outcomes of investigations and recommendations must be reported to the I/EMC or Risk Management Committee and the Audit and Performance Audit Committee.
- h) Reporting to the I/EMC or Risk Management Committee on all cases investigated and finalized.

8.2.7 Municipal Manager

The Municipal Manager has a duty in terms of Section 173(1)(iv) of the MFMA, to take measures that will prevent corruption and limit municipalities exposure to fraud and Integrity / Ethics risks. The Municipal Manager shall take ownership and accountability to ensure that KSDLM comply with the KSDLM Integrity / Ethics Policy. The Heads of Departments ('HOD's) of the various municipal departments are accountable to the Municipal Manager for the implementation of the Integrity / Ethics Policy within their departments as well as the implementation of recommendations by Legal Services Unit, Risk Management Unit, and Internal Audit Unit.

Where there are allegations of financial misconduct against a senior manager or any other official, the Municipal Manager: -

- a) has a duty to report such allegation to Council within 7 days of receipt thereof or at the next sitting of council,

- b) the official must be given 7 days after being notified of the allegation to make written representations on why, he/she should not be suspended,
- c) if there is reasonable cause to believe that an act of financial misconduct was committed, refer the matter to the Disciplinary Board to conduct a preliminary investigation and full investigation where required.
- d) Table a final report based on the outcomes to Council.
- e) Report the alleged offence to the SAPS and inform the I/EMC or Risk Management Committee.

Where there are allegations of general misconduct, fraud, corruption, or similar misconduct against a senior manager or any other official, the Municipal Manager must refer the matter for further investigation and all outcomes of such investigation must be reported to the I/EMC and or RMC and Commissioner of Integrity / Ethics.

8.2.8 Role of the Ethics Champion

The Integrity / Ethics Champions of KSDLM will be the Chief Risk Officer appointed and assigned by the Municipal Manager. The Integrity / Ethics Champion plays the ownership role of defending and advocating the cause of ethics on an executive level. The most important role of the Integrity / Ethics Champion is to provide the initial impetus for an Integrity / Ethics management drive and to ensure that the Integrity / Ethics initiative maintains momentum. The Integrity / Ethics champion's foremost responsibility is to provide the vision and energy that are required to launch the Ethics initiative. He or she has a significant responsibility to market Integrity / Ethics and anti-fraud initiatives and must ensure that these programs gain and retain prominence.

In addition to this, and since the Integrity / Ethics champion role will be marked by very high visibility, the champion must be regarded as an ethical role model. He or she is responsible to align the Integrity / Ethics management functions of all departments within KSDLM. The Integrity / Ethics champion fulfils a vital role in ensuring that the Integrity / Ethics Management function is adequately resourced. Funding and other resources are preconditions for its success. Due to the structure and size of KSDLM, there is a need for departmental level Integrity / Ethics champions, as well as an overall Integrity / Ethics champion. The officials in each department are to be appointed as departmental Integrity / Ethics champions/officers.

8.2.9 Role of the Commissioner of Integrity / Ethics

The Commissioner of Integrity / Ethics – Chief Operations Officer will monitor the institutionalization of Ethics in KSDLM. The responsibilities of the Ethics Manager – Chief Risk Officer will be determined by the I/EMC - RCM. The primary role of the Commissioner of Integrity / Ethics is to monitor the Integrity / Ethics Office. The Commissioner Integrity / Ethics has the ultimate responsibility to provide direction, technical expertise, guidance, support, build capacity, and monitor departments and entities in implementing the Integrity / Ethics Policy.

8.2.10 Responsibilities of the Ethics Officers

The Integrity / Ethics Officers (Divisional Heads responsible for governance and compliance) are responsible for coordinating the implementation of the Integrity / Ethics and fraud management programme and the Integrity / Ethics Policy at departmental level. Integrity / Ethics Officers are responsible for managing and monitoring Integrity / Ethics and fraud risks within the organisation and to report accordingly to the I/EMC – RCM.

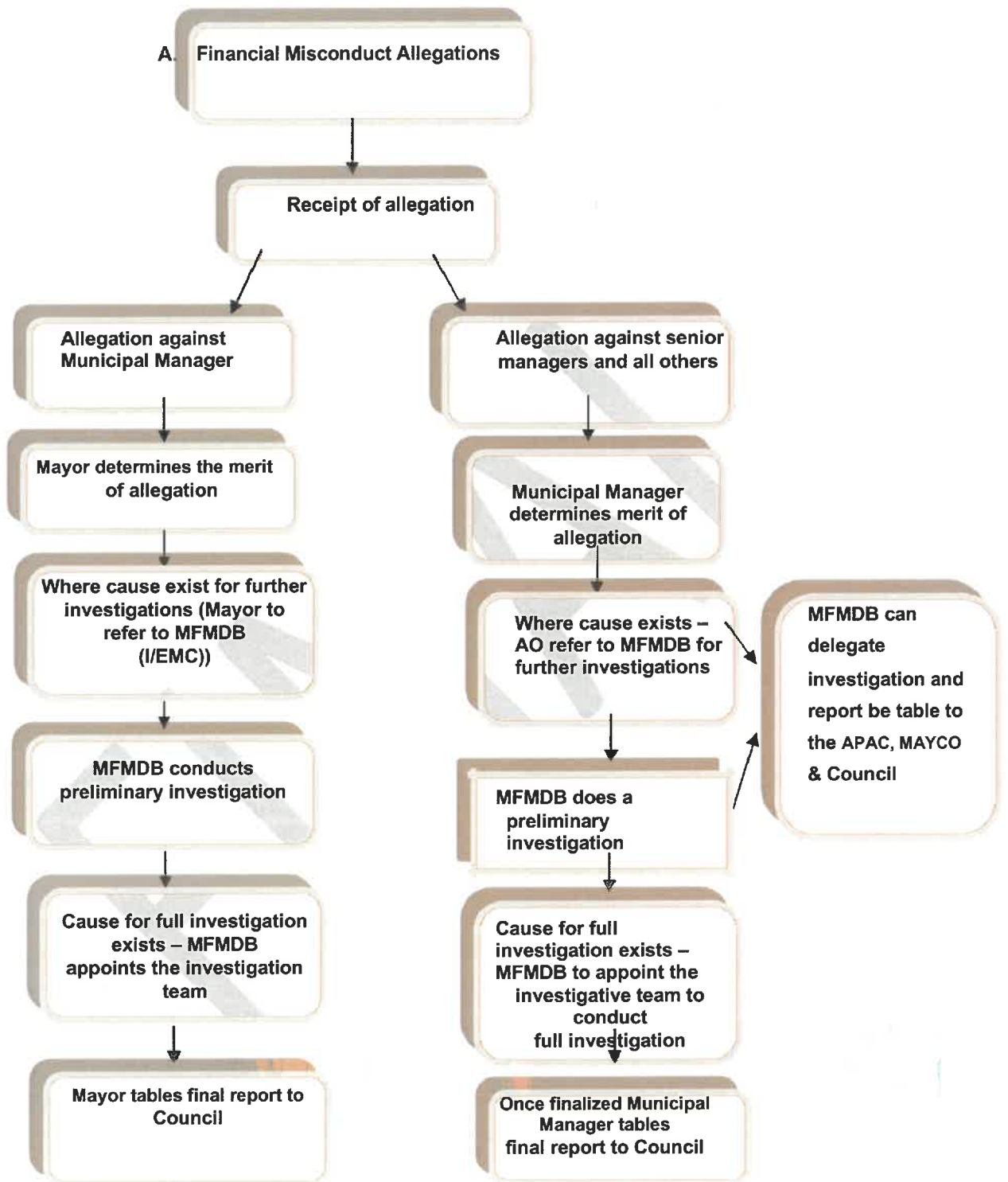
8.2.11 Councillors and employees of KSDLM

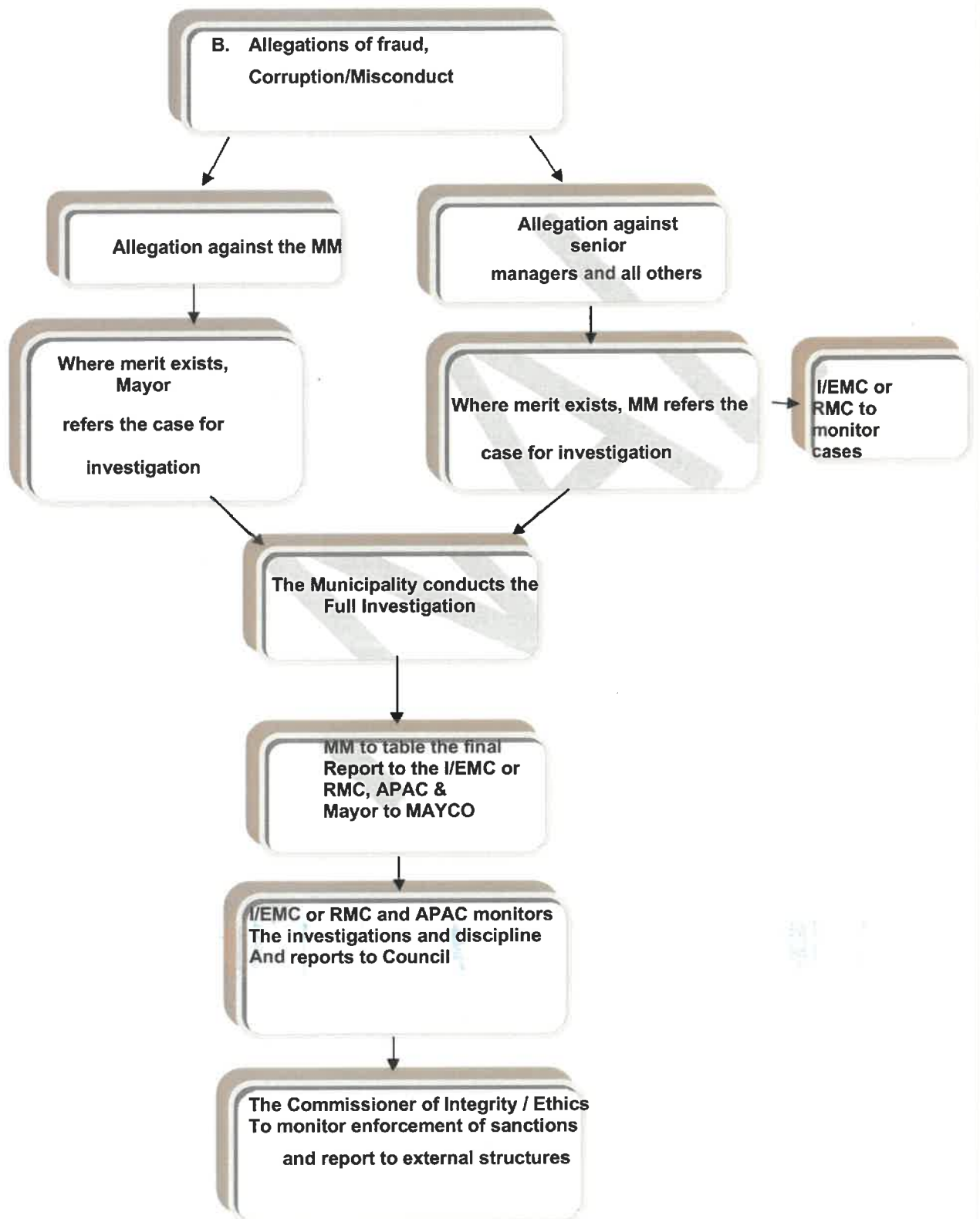
Integrity and Ethics is the responsibility of every KSDLM councillor / employees and official. Each councillor, employee and official are personally responsible for ensuring awareness and understanding the Integrity / Ethics Policy, relevant laws, and provisions applicable to them. Each councillor, employee and official are equally responsible for behaving in accordance with this Policy.

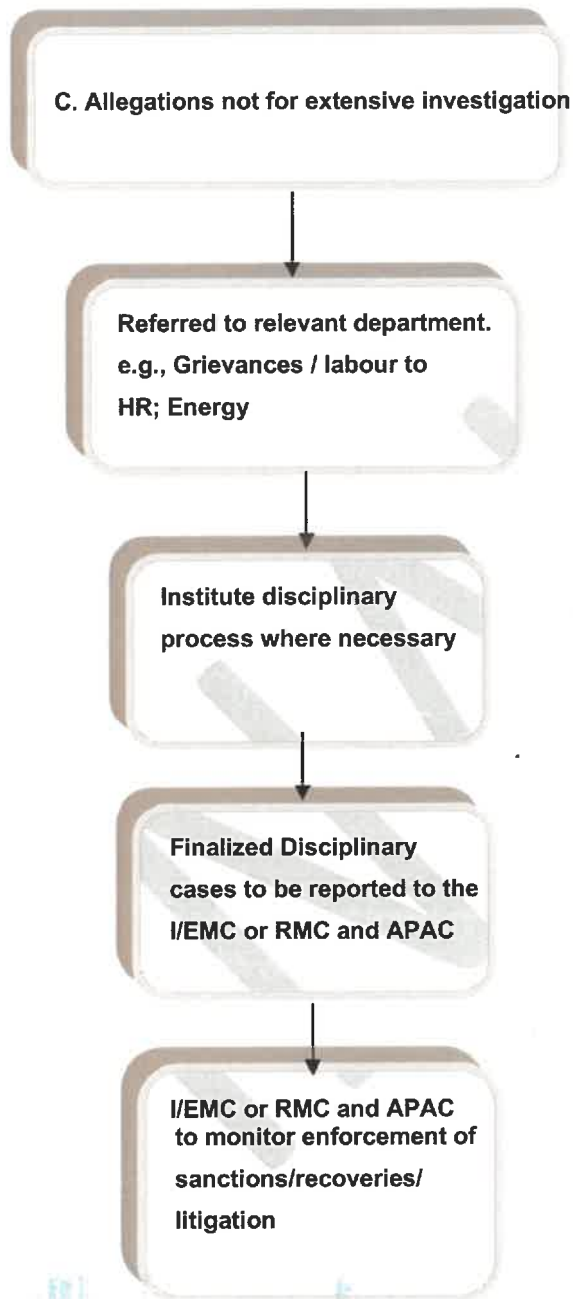
8.3 Response Process for allegations:

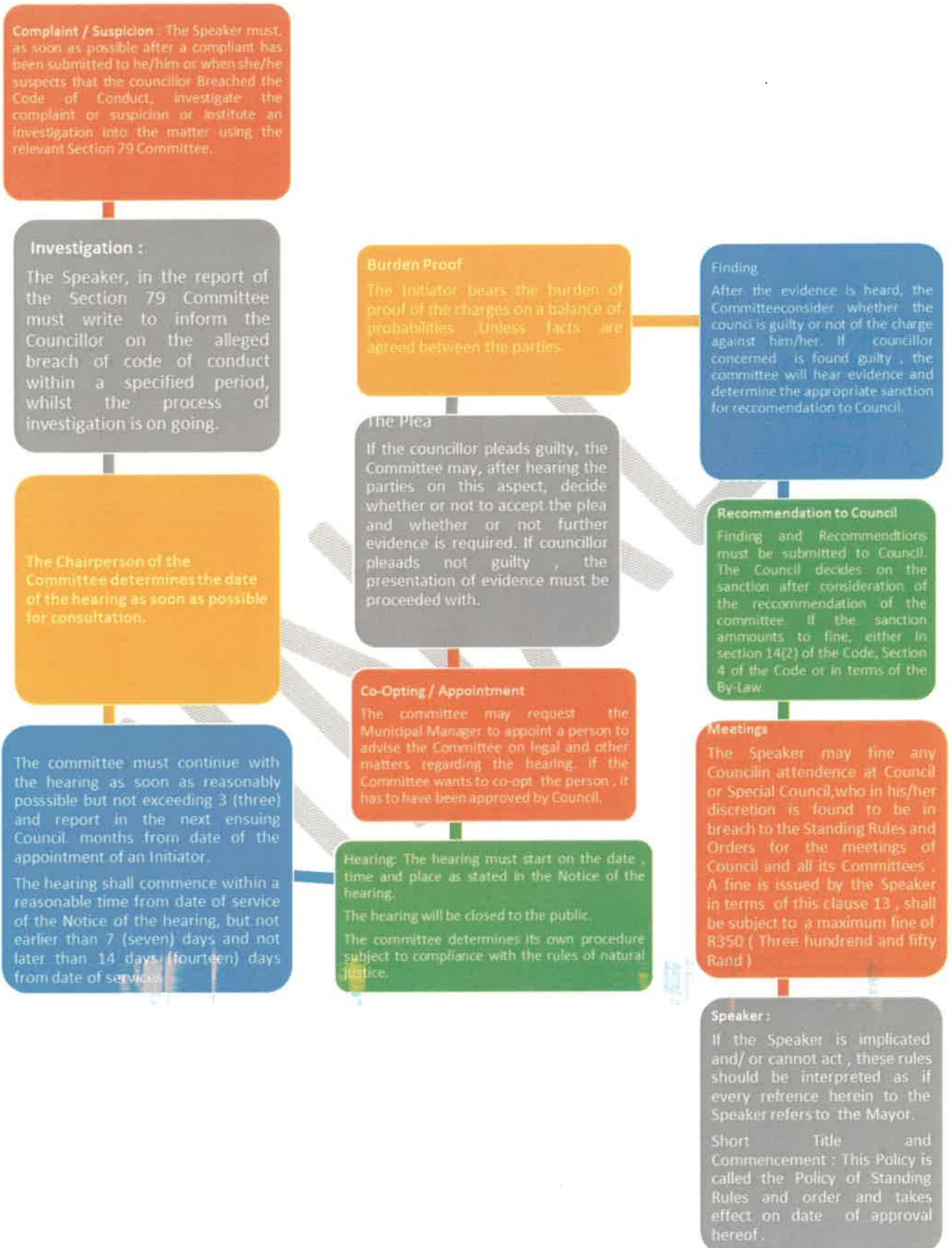
The process flow seeks to interpret and adapt compliance requirements of the Financial Misconduct Regulations and practically apply them to the KSDLM environment. **The processes outlined below refer specifically to:**

- a. allegations of financial misconduct,
- b. all other allegations of fraud, corruption or similar misconduct and other misconduct falling outside the ambit of financial misconduct and
- c. other categories of misconduct not requiring extensive investigation









PART B – MUNICIPAL INTEGRITY / ETHICS PRINCIPLES

8. Municipal Integrity / Ethics Principles – An Overview

The Municipal Integrity / Ethics Principles (the 'Principles') are intended as a guide to assist in identifying and interpreting situations of actual or potential misconduct and/or corruption. The principles are principle-based and provide a Policy within which councilors, employees and stakeholders are expected to exercise their best judgement in relation to specific situations.

These Principles apply to all KSDLM councilors, employees and its stakeholders and are contained in more detail in this Part B of this Policy. The principles are outlined hereunder:

- Conflict of interest
- Disclosure of Financial Interests and Assets of councilor`s and or employees
- Gifts, entertainment, hospitality, and other benefits Private work outside KSDLM
- Abuse of KSDLM assets Facilitation payments
- Facilitation payments
- Payment of arrears
- Sexual harassment
- Reporting duty of staff members
- Cybercrime

9. Conflict of interest

We avoid conflicts of interest and always declare conflict of interest with KSDLM's interests.

A conflict of interest is defined as any situation where a person representing KSDLM in any capacity has a direct or indirect business or financial interest which interest may reasonably be perceived as influencing such a person in the objective exercising of an obligation or performance of official duties.

- a) Councilors and employees must avoid actual or perceived conflicts of interest, involving themselves or close relatives and where such a conflict has the potential to arise, must draw this to the attention of their line manager.
- b) Another example of conflict of interest is that of senior officials at management and supervisory level serving as unionist representing employees in labour cases, going against the same management and supervisory level decision the

unionist is supposed to entrusted to protect within the KSD Municipality. KSD Municipal Council will not allow any union member at supervisory / management level to challenge the responsibilities of his employment as KSD Municipal employee in any platform where acceptable normal principles of engagement are to be followed.

10. Disclosure of Financial Interests and Assets of councilors and employees

- a. The requirement to disclose financial interests and assets be extended to all councilors and employees,
- b. An employee or councilor whose spouse, partner, business associate or close family member, stand to acquire any direct benefit from a contract concluded with the municipality, must disclose in writing full particulars of the benefit to the Ethics Officer and withdraw from participating in any manner whatsoever in the process relating to that contract.
- c. Municipality to appoint/designate Ethics Officer/s / Risk Officer to scrutinize, assess and analyze the disclosure forms of all councilors / employees in the municipality.
- d. An employee / councilor to forward his or her disclosure form to the designated Ethics Officer / Risk Officer.
- e. An employee / councilor to disclose every time there is a change of status as opposed to annually as is currently required.
- f. The Head of Department be assigned the responsibility to oversee the approval of disclosure reports compiled by Ethics Officers / Risk Officers.
- g. The disclosure forms of Ethics Officer/s / Risk Officers be forwarded to their respective Head of Department for submission to the Municipal Manager.
- h. The disclosure forms of Heads of Departments be forwarded to Municipal Council.

10.1 Gifts, entertainment, hospitality, and other benefits

KSDLM councilors and employees have a responsibility to ensure that their dealings with KSDLM's stakeholders are based on objective decisions and are not influenced by gifts or favors. This is also applicable to KSDLM's stakeholders. Councilors and employees are prohibited from soliciting or receiving gifts and entertainment including favors, goods, gratuities, money, and services that:

- a. May create a sense of obligation.
- b. May influence or be perceived to influence KSDLM Councilors / employees and business judgement.
- c. May create, or appear to create a conflict between a councilors and employee's personal interests and those of their employer, KSDLM; or
- d. If it became public, adversely affect our reputation.

The soliciting or receiving of inappropriate gifts or entertainment can cause reputational damage to KSDLM. A particular concern, arise when the offering of gifts and entertainment may be connected in some way with an actual or potential business transaction. Even if the intent is not corrupt, there is still a risk that an objective third party may perceive the gift or entertainment to be an attempt to gain an undue advantage.

9.1.1 In the same way, KSDLM's stakeholders are prohibited from offering gifts and entertainment including favors, goods, gratuities, money, and services that:

- a. May create a sense of obligation.
- b. May influence or be perceived to influence KSDLM councilors and employees' business judgement.
- c. May create or appear to create a conflict between a councilors and employee's personal interests and those of their employer, KSDLM.

9.1.2 However, in situations where municipal councilor and employee or delegate cannot decline a token of appreciation because it might be considered culturally disrespectful, such tokens must be declared and registered in the municipal gift register. These gifts will be registered and publicized in municipal website to promote transparency.

10.2 Private work outside KSDLM (Extraneous employment/moonlighting)

- a) No councilor and or employee shall perform or engage him or herself to perform private work outside the KSDLM, except with the written permission of the Speaker on behalf of Municipal Council and Municipal Manager for administration / staff.
- b) Except with the prior consent of a municipality, a staff member of the municipality may not be engaged in any business, trade, or profession other than the work of the municipality.

- c) All councilors and employees, unless otherwise specified in their employment contract, must place their official contracted working hours at the disposal of KSDLM. Consequently, no councilors / employees are permitted to perform any work outside their KSDLM duties during such official working hours, without prior authorization.
- d) **No councilor or staff member** of a municipality may be a party to or be a beneficiary under a contract for the provision of goods or services to any government institution, municipality or any municipal entity established by a municipality.
- e) Councilor or employee cannot obtain a financial interest in any business of the municipality or other municipalities or municipal entities or government institution.
- f) The Municipal Council shall decide whether to grant permission, as contemplated in (a) above, within 60 days after the receipt of the request from the councilor / employee in question.
- g) If the Municipal Council fails to decide within the 60-day period, it would be deemed that such permission was given.
- h) Councilors and employees to attach such approval when submitting their financial disclosure forms to Ethics Officer/s

10.3 Post-Public Employment

- a) The King Sabata Dalindyebo Municipality does not have measures in place to regulate post-employment activities of former public servants. It is recognized that public servants may abuse their position to benefit certain individuals, themselves, or companies in exchange for favors, such as employment opportunities, after they have left the municipality. The municipality is introducing this control regime which aim is to ensure that senior public officials shall not act, after they leave public office, in such a manner as to take improper advantage of their previous public office and to minimize the possibilities of –
 - b) allowing prospects of outside employment to create a real, potential, or apparent conflict of interest for public office.
 - c) obtaining preferential treatment or privileged access to the Government after leaving public office.

- d) taking personal advantage of information obtained in the course of official duties before it becomes generally available to the public; and
- e) using public office to unfair advantage in obtaining opportunities for outside employment.

10.4 Nepotism and favouritism

A councilor or an employee of KSDLM may not take a decision on behalf of the KSDLM concerning a matter in which that councilor / employee or that councilor's / employee's spouse, partner, or business associate, has a direct or indirect personal or private business interest.

Some common causes or examples of corruption can be seen during the employment process of an organization. They invite so many people to send their CVs and come for interviews but only people with the same political affiliation with them get the job.

This is also common with municipality's that ask for contractors to bid for a project, but the councilors / employees will only give them to their friends who may not even bid at all.

10.5 Use of KSDLM assets

The use of KSDLM's assets, such as premises, equipment or vehicles shall be used during Council business in the capacity as an KSDLM councilor / employee or a government official, client, or partner. KSDLM's assets should not be provided for the personal or discretionary use of its stakeholders or any other third parties where there is no underlying proper business purpose or clear benefit to KSDLM. Abuse of assets will not be tolerated.

10.6 Facilitation payments

KSDLM prohibits the accepting or offering of facilitation payments. A facilitation payment is a payment of nominal value made to a government official whose duties are essentially administrative in nature to secure the performance of routine governmental non-discretionary actions to which the payer is legally entitled.

10.7 Payment of arrears

A councilor or staff member of a municipality must not be in arrears to the municipality for rates and service charges for a period longer than 3 months, and a municipality must deduct any outstanding amounts from any councilor or staff member's salary after this period.

A councilor or staff member who is in arrears to the municipality for rates and service charges may arrange or agree with the municipality in writing to settle his or her municipal account for such rates and service by means of a monthly stop-order payment.

A councilor / employee who is in arrears to the municipality for rates and service charges for a period longer than three months is in breach of the Code of Conduct and this Policy.

10.8 Participation in elections

A councilor or staff member of a municipality may not participate in an election of the council of the municipality, other than in an official capacity or pursuant to any constitutional right.

10.9 Sexual harassment

- a) A councilor or staff member of a municipality may not embark on any action amounting to sexual harassment.
- b) Sexual harassment is an offense that is not limited to the workplace alone. A councilor or an employee accused of sexual harassment will not only face consequences in the workplace but also tried at a court of law.
- c) Many municipalities have a zero-tolerance rate for sexual harassment in and outside the workplace. This may tarnish the municipality's reputation and the only way to curb is to make an example of defaulters.
- d) **Sex for Job / Promotion** it is common for managers, employers, and major decision-makers to use their position in the workplace to influence the hiring decision in exchange for sex. Any official irrespective of capacity must be dealt with through disciplinary process when such incidents are reported in the municipality.

10.10 Cybercrime

Cybercrime is a crime that involves a computer and a network. The computer may have been used in the commission of a crime, or it may be the target. Cybercrime may harm someone's security and financial health.

Cybercrimes incorporates the below acts in terms of Act No. 19 of 2020 Cybercrimes Act Part I, paragraph 2 to 12:

- a) Unlawful access
- b) Unlawful interception of data.
- c) Unlawful acts in respect of software or hardware tool.

- d) Unlawful interference with data or computer program.
- e) Unlawful interference with computer data storage medium or computer system.
- f) Unlawful acquisition, possession, provision, receipt or use of password, access code or similar data or device.
- g) Cyber fraud.
- h) Cyber forgery and uttering.
- i) Cyber Extortion.
- j) Aggravated offences.
- k) Theft of incorporeal property.

11. Management / Employers Councilors Unethical Behavior.

Workplace ethics is not for councilors or employees alone. Employers are also bound to workplace ethics and may also be tried for unethical behaviour.

11.1 Late Night Out / Unpaid Overtime

Some employers take advantage of desperate job seekers and the competitive job market to use councilor's / employee's leisure time as they wish. They do so with the mentality that they are doing councilors / employees a favour by employing them, not knowing that the favour is mutual.

Councilors / employees who fear queries or job loss are not able to protest the infringement into their private time by the employer.

11.2 Verbal Harassment

It is common among employers to verbally harass Councilor / employees when they make little mistakes. This will reduce Councilor / employee morale and productivity.

Employers should always say kind words to their Councilor / employees.

11.3 Undue Pressure

Deadlines are a great way to make sure the work gets done on time. However, when councilors / employees are placed under undue pressure, they end up trading quality for on-time delivery.

An example of undue pressure will be giving a Councilor / employee a one-day deadline for a project that would normally take a week.

11.4 Unfriendly Work Environment

One of the things that can mar productivity is an unfriendly working environment. This may come as a combination of abusive bosses, lack of commendation, nepotism, etc. An unfriendly environment is an environment that combines various unethical behaviors into one.

11.5 Unrealistic Expectations

Creatives usually have it worse when it comes to having unrealistic expectations from Councillors / employees.

11.6 Advantages and Implications of Workplace Ethics

- a) It can stimulate positive Councilor / employee behavior and create a positive ambiance in the workplace.
- b) Ensures management guides and mentors their councilor's / employees in a healthy environment.
- c) A workplace with good ethics usually strengthens the bond councilors / employees have with their superior.
- d) It boosts productivity through councilor / employee performance and job satisfaction which in turn increases company growth.
- e) Bad workplace ethics can cause a strain in the relationship with company stakeholders.
- f) When it leaks (which it most likely will) poor behaviour can be recorded and propelled into unsavoury headlines online. This can lead to reputational damage to the brand name.

11.7 How to Solve Unethical Issues at the Workplace

a) Have Rules

Organizations need to have predefined rules and regulations regarding workplace ethics. These rules and regulations should be given to new councilors / employees together with their employment contracts.



Also having the rules written at strategic places at the workplace will also help remind people about the rules. People tend to unconsciously imbibe things they see every day.

b) Accept Feedback/Complaint

Make it easy for councilors / employees to send feedback or complaint in case of harassment, abuse, or any other unethical activities going on in the workplace.

12. UNETHICAL WORKPLACE BEHAVIOURS

There are standard principles of unethical behaviour at workplace with most emanating from the general standards of living from society, unfortunately some of

those are not written anywhere if not found in code of conduct when it comes to workplace environment and some of those include but not limited to the following.

a) Lies

Lying is a trait that is detested in and outside the workplace. It kills trust, affects relationships, and may even put people in trouble.

There are different situations where councilors or an employee's lie in the workplace—

with just one lie opening the floor for many others. It could be a sales manager lying about the number of clients they were able to get in a month or a councilor / employee calling in sick just to attend another job interview.

A lot of councilors or employees start lying from their CV, by adding experiences they didn't acquire, and the skills they don't have. Councilors and employees need to understand that lying about work may eventually get them in trouble and needs to stop before they lose their job.

However, we notice that councilors / employees lie due to fear of their employer—

A councilor or employee will call in sick to go for interviews because municipality's frown against councilors / employees interviewing at another municipalities. HR should put up a more friendly culture that will encourage people to progress in their careers taking up other jobs and even support them throughout the process.

b) Taking Credit for Others Hard Work

It is very common for managers to take credit for their team member's hard work when reporting to the management. A team member may have brought an idea that helped the sales team improve their sales by 50%.

However, when giving a report, the manager doesn't mention the team member's name but claims the idea as his. Councilors / employees need to reduce the use of "I" but embrace the use of " We".

By taking credit for another person's work, you will be denying the person a promotion, bonus or commendation for a job well done. This will discourage the person from sharing ideas that will benefit the municipalities in the future.

c) Verbal Harassment / Abuse

Councilors / employees need to stay away from using foul language on co-workers in and out of the workplace. This is very important when dealing with customers.

Customers are known to get angry and may result in verbal abuse due to a bad product or service. They may even get to insult you when they are at fault.

As a customer care representative, salesperson, or any other councilor / employee, it is very important that you don't use abusive words on customers no matter how provoked.

d) Violence

Like verbal harassment, councilors / employees should not be violent when dealing with co-workers and customers.

Customers may likely provoke you, but it is better to keep shut and walk away rather than turn violent.

e) Extended Breaks

Municipality's give lunch breaks to councilors / employees and people take advantage of these breaks to do other things outside office work like, go for interviews, meet with friends, or even work on their side hustles. They are free to do whatever they want during these lunch breaks.

Councilors / employees, however, take advantage of these lunch breaks and extend them beyond time.

f) Theft/Embezzlement

Some councilors / employees are known for diverting municipality's funds into their bank accounts padding project quotations, invoices, etc. to deceive the municipality's on how much was spent on a particular project.

This act is detrimental to the municipality's because councilors / employees who steal sometimes replace quality products with counterfeits which are cheaper but causes damage in the future.

13. Reporting duty of staff members

Whenever a staff member of a municipality has reasonable grounds for believing that there has been a breach of this Policy and Code of Conduct for municipal staff, the staff member must without delay report the matter to a superior officer or to the speaker of the council.

14. Disciplinary action

All councilors / employees of KSDLM and its entities are required to comply fully with the KSDLM Integrity / Ethics Policy. KSDLM will endeavor to take prompt disciplinary action against councilors / employees found to have violated the Policy. The disciplinary procedure will ensure that the due process of law is applied. A councilor / employee found guilty of breaching the Policy may be subject to dismissal.

15. Reporting

It is the responsibility of every KSDLM councilor / employee to report all incidents of fraud, corruption, theft, maladministration, or any other dishonest activities of a similar nature to his/her Supervisor/Manager. If the councilor / employee is not comfortable reporting such matters to his/her Supervisor/Manager, he/she should report the matter to the Ethics Officer or the Ethics Office. Councilors / employees may also report incidents by using the anti-fraud hotline reporting facility if they wish to remain anonymous or to the Internal Audit Forensics Division and other platforms provided in the KSD Municipal Whistle Blowing Policy. A failure to report alleged misconduct, provide evidence in a disciplinary enquiry or in legal proceedings may be regarded as a disciplinary offence and councilors / employees may be subject to disciplinary action, including dismissal.

A supplier / service provider or any member of the community can report fraud, corruption, theft, misconduct, maladministration, or any other unethical conduct of a similar nature if it impacts KSDLM by using the reporting channels stipulated in the KSDLM Whistleblowing Policy.

16. Protection of whistle-blowers

The Protected Disclosures Act, 26 of 2000 (Act) makes provision for the protection of individuals who makes a disclosure that is protected in terms of the Act.

Any disclosure made in good faith and substantially in accordance with any procedure prescribed by the councilor's / employee's employer for reporting is considered a protected disclosure under this Act. A councilor or a councilor / employee making such a protected disclosure is protected from being subjected to an occupational detriment on account of having made a protected disclosure.

A councilor / employee who suspects or reports suspected dishonest activity or such activity which he/she has witnessed should be afforded the opportunity to remain anonymous should he/she so require.

Allegations made by councilor / employees which are false and made with malicious intentions, are discouraged. 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 Act.

16.1. Affirmation and compliance with the Protected Disclosure Act

The KSDLM subscribes to the principles and requirements of this Act and to reaffirm our compliance with the Act, the KSDLM will:

- a. Ensure protection of councilors / employees who submit a disclosure in good faith and use the appropriate reporting channels provided by the KSDLM.
- b. Strive to create a culture which will facilitate the disclosure of information by councilors / employees relating to criminal and other unethical or irregular conduct in the workplace in a responsible manner by providing clear guidelines for the disclosure of such information and protection against reprisals because of such disclosure; and
- c. Promote zero tolerance to any criminal and other unethical conduct within the KSDLM.

17. Review of the Policy

Council from time to time will be advised by Audit and Performance Committee on appropriate improvements required and made on the policy. The policy should be reviewed and approved annually by KSD Municipal Council. However, when there are compelling reasons for update like change of law and regulations, the policy should be reviewed, approved accordingly with that change to ensure compliance.

18. APPROVAL OF INTEGRITY / ETHICS MANAGEMENT POLICY:

PREPARED BY



P Madliki
Chief Risk Officer

DATE _____

REVIEWED BY



N. Pakade
Municipal Manager

09 November 2023
DATE

ADOPTED BY COUNCIL

CONFIRMED BY



Clr. N Siyo-Sokuthu.
Hon. Council Speaker

_____ Date

The KSD Municipal Integrity / Ethics Policy