

CENTRAL KAROO DISTRICT MUNICIPALITY

DRAFT GIFT POLICY FOR OFFICIALS

1. All employees are required to comply with the Code of Conduct for Municipal Staff Members as contained in item 8 Schedule 2 of the Systems Act, 32 of 2000 as well as the Municipal Supply Chain Management regulations.

1.1. Item 8 Schedule 2 of the System Act reads as follows:

“8. Rewards, gifts and favours-

- 1) ***A staff member of a municipality may not request, solicit or accept any rewards, gift or favour for-***
 - a) ***Persuading the council of the municipality, or any structure or functionary of the council, with regards to the exercise of any power or the performance of any duty;***
 - b) ***Making a representation to the council, or any structure or functionary of the council;***
 - c) ***Disclosing any privileged or confidential information; or***
 - d) ***Doing or not doing anything within the staff member’s powers or duties.***
- 2) ***A staff member must without delay report to a superior official or the speaker of the council any offer which, if accepted by the staff member, would constitute a breach of sub-item (1)”***

1.2. Regulation 46 of the Municipal Supply Chain Management Regulations reads as follows:

“46 Ethical standard

- 1) ...
- 2) ***A municipal code of the ethical standards must stipulate that an official or other role player involved in the implementation of the supply chain management policy of the municipality entity –***
 - a) ...
 - b) ...
 - c) ***may not accept any rewards, gift, favour hospitality or other benefit directly, including to any family member, partner or associate of that person;***
 - d) ***notwithstanding sub-regulation (2)(c), must declare to the accounting officer details of any rewards, gift, favour, hospitality or other benefit promised, offered or granted to that person or to any close family member, partner or associate of that person;***
- 3) ...
- 4) ...
- 5) ...

6) Sub-regulation (2)) (c), does not apply to gifts less than R350 in value.”

1.3. Regulation 47 of the Municipal Supply Chain Manager Regulations reads as follows:

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

- 1) No person who is a provider or prospective provider of goods or services to a municipality or municipality entity, or a recipient of goods disposed or to be disposed of by a municipality or municipal entity, may either directly or through a representative or intermediary promise or offer or grant –**
 - a) Any inducement or reward to the municipality or municipal entity for or in connection with the award of a contract; or**
 - b) Any reward, gift, favour or hospitality to –**
 - i) Any official of the municipality or municipal entity; or**
 - ii) any other role player involved in the implementation of the supply chain management policy of the municipality or municipal entity.**
 - 2) The accounting officer of a municipality or municipal entity must promptly report any alleged contravention of sub-regulation (1) to National Treasury for consideration whether the offending person, and any representative or intermediary through which such person is alleged to have acted, should be listed in the National Treasury’s database of person prohibited from doing business with the public sector.**
 - 3) Sub-regulation (1) does not apply to gifts less than R350 in value.”**
2. Receipt of gifts in any of the following scenarios would prima facie be viewed as breach of Item 8 of Schedule 2 of the Systems Act: and item 47 of the Municipal Supply Chain Management regulations.
- Tenders
 - Contracts
 - Provider and prospective providers as well as receivers and prospective receivers of goods in terms of actions that are clearly enacted to avoid and prevent corrupt practices.
3. For the sake of good corporate governance and to protect employees against inadvertent transgressions of Item 8 of Schedule 2 of the System Act or the provision of regulation 46 & 47 of the Municipal Supply Chain Regulations, it is Council’s policy that all employees are required to report any gift that they have received irrespective of the value.
4. The Municipal Manager (or his nominee) may decide whether an employee may retain a gift to the value of not more the R350 (as amended from time to time). The value of gift received from a single source in any calendar year may not exceed R350 from a service provider or prospective service provider based on the following:
- 4.1. Any gift as defined in terms of Item 8 of Schedule 2 of the System Act, 32 of 2000 may not be accepted by any staff member – No discretion permitted;
 - 4.2. All staff include in terms of Section 46 of the Supply Chain Management Regulation may only receive a gift up to the limit of R 350 – No discretion permitted above R350;

- 4.3. All staff not included in terms of Section 46 of the Supply Chain Management Regulations may only receive a gift up to the limit of R350 – May apply on the prescribed format for consideration and discretion of the Municipal Manager or his nominee for a gift above R 350;
- 4.4. Items received which could be clearly defined as marketing material does not constitute a gift
- 5. Should the value of the gift be uncertain or disputed, the value of the gift will be determined by the Municipal Manager (or his nominee)
- 6. Sect 14 and 14A will apply to any breach of Item 8 of Schedule 2 of the Systems Act. Item 14 and 14A reads as follows:

“Item 14. Breaches of Code. – Breaches of his Code must be dealt with in terms of the disciplinary procedures of the municipality envisaged in section 67 (1) (h) of this Act.”

“Item 14A. Disciplinary steps. – (1) A breach of this Code is a ground for dismissal of the disciplinary steps against a staff member who has been found guilty of such a breach.

2) Such other disciplinary steps may include –

- a) Suspension without pay for no longer than three months;**
- b) Demotion;**
- c) Transfer to another post;**
- d) Reduction in salary, allowance or other benefits; or**
- e) An appropriate fine.”**

- 7. Employees must report gifts received by completing and submitting the attached form (annexure B) to his/her Section 57 Manager. The declaration of gifts received must contain a description of the gift, the value of the gift as well as the sources of the gift. Section 57 Managers must report gifts received in prescribed format (Annexure “B”) to the Municipal Manager (or his nominee.) The Municipal Manager must report gifts received to the Executive Mayor.
- 8. Each Section 57 Manager are required to keep a register of all gift received within his/her Directorate and that such be available for audit on an annual cycle.
- 9. The Section 57 Manager: Corporate Services is responsible to communicate this policy to employees on an annual basis.
- 10. The Section 57: Corporate Services is responsible to ensure that this policy is included in induction sessions for new appointees.
- 11. That this policy be implemented on the date of approval.

Signed at on this day of

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MUNICIPAL MANAGER

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IMATU CHAIRPERSON

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SAMWU CHAIRPERSON

DECLARATION OF GIFT(S) RECEIVED

Part 1: Declaration by employee who receives a gift:-

I, (Name and surname) hereby wish to declare that I have received the following gift which has been accepted by me on the understanding that it is in full compliance with the gift policy:

Description of Gift	Value of Gift	Source of Gift (Person and Company / Institution)	Relationship	Date received

Signature..... Date.....

Staff No..... Department.....

Note 1: Employees submit declaration to Section 57 Manager / Section 57 Managers submit to Municipal Manager / Municipal Manager submits to Mayor.

Part 2: Comments/ recommendation by Section 57 Manager/ Municipal Manager / Executive Mayor:-

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Recommendation:

- That employee retain the gift.
- That the gift be enjoyed by the whole Department under management supervision.
- That the employee return the gift to the supplier with a letter of thanks.
- That the matter be reported to National Treasury

Signature: Date

Part 3 Decision by Municipal Manager / Executive Mayor:-

- That employee retain the gift.
- That the gift be enjoyed by the whole Department under management supervision.
- That the employee return the gift to the supplier with a letter of thanks.
- That the matter be reported to National Treasury

Municipal Manager (or nominee) Date