

REPORTING FRAUD & CORRUPTION



YOU CAN REPORT INCIDENTS ANONYMOUSLY

Knysna Municipality has developed and implemented an independent Anti-Fraud and Corruption portal for employees, members of the public and external stakeholders to report allegations of fraud and corruption.

The portal is available on the Collaborator App an independent service provider. Members of the public, employees and stakeholders are encouraged to report suspicions of fraud, corruption and maladministration to help the municipality in our plight to fight fraud and corruption

What is Whistleblowing?

Whistleblowing is a process in which employees and members of the public can disclose any suspected acts of fraud, corruption, financial misconduct, waste of resources, misuse of municipal assets, sabotage, danger to public health or safety, sexual exploitation and abuse and serious malpractice within an organisation anonymously.

Will I be protected if I blow the whistle?

YES – South Africa has various laws that apply to different categories of whistle-blowers, such as employees or the general public. These laws provide different levels of protection to those who come forward with information. The main laws that pertain to whistle-blowers are:

- The Constitution.
- The Protected Disclosures Act of 2000.
- The Labour Relations Act of 1995.
- The Companies Act of 2008.
- The Protection Against Harassment Act of 2011



What must be reported?

In terms of the Protected Disclosures Act, any knowledge or suspicion of any misconduct within Knysna Municipality must be reported. The reporting of financial misconduct is regulated in the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings.

For this purpose, misconduct means non-compliance with any rule/policy/value applicable to Knysna Municipality, the prohibited conduct referred to in this policy, and non-compliance with any laws or the protocols and processes referred to in this policy including fraud, corruption, financial misconduct, waste of resources, misuse of municipal assets, sabotage, danger to public health or safety, sexual exploitation and abuse and serious malpractice.

Where can I obtain the App?

The **Collaborator App** is available from the Google Play Store or the Apple App Store. Once downloaded, select “Knysna Municipality” as a channel.



To whom can a report be made?

Knowledge or suspicion of reportable transgressions can be reported to:

- **Collaborator App**
- National Anti-Corruption Hotline **0800 701 701**
- email **tip.offers@westerncape.gov.za**
- Provincial Forensic Services **021 483 0931**
- **Direct Reporting** (i.e. referral by any employee to line manager)

A FEW RED FLAGS

1. ACCEPTING AND OFFERING OF GIFTS



The Knysna Municipality SCM Policy states:

No person who is a provider or prospective provider of goods or services, or a recipient or prospective recipient of goods disposed or to be disposed of may either directly or through a representative or intermediary promise, offer or grant –

- a) any inducement or reward to the municipality for or in connection with the award of a contract; or

- b) any reward, gift, favour or hospitality to- any official; or any other role player involved in the implementation of this Policy.

An official or other role player involved in the implementation of the Supply Chain Management Policy may not accept any rewards, gift, favour, hospitality or other benefit directly, including to any close family member, partner or associate of that person, of a value more than R350.

Gifts to the value of **more than R350 must be declared to the Accounting Officer and be registered in the gifts register.**

The following gifts are never appropriate:

- Gifts of cash, or cash equivalent (such as gift cards or gift certificates)
- Gifts that are given as a bribe, payoff or kickback
- Gifts that are given in the form of services or other non-cash benefits (such as the promise of employment)

Do's

- Declare and register the gift in the gift register

Don'ts

- Do not offer gifts (whether be it liquor, business lunch/ dinner, money, sponsorship for family relation, etc.) to Knysna Municipality staff in return for services rendered.
- Do not offer gifts to family members of officials.
- Employees must never solicit gifts from any third party under any circumstance.

2. SUPPLY CHAIN/PROCUREMENT AND TENDER FRAUD



The Knysna Municipality SCM Policy provides that:

Knysna Municipality commits itself to a policy of fair dealing and integrity in the conducting of its SCM activities.

All SCM officials and role players in the SCM system are required to promote mutual trust and respect and act with integrity.

Declaration of Interest

A SCM practitioner or other role player, or close family member, partner or associate of such practitioner or other role player involved in the implementation of the SCM policy, shall declare details of any private or business interest which that person or any close family member, partner or associate may have in any proposed procurement or disposal process of, or in any award of a contract by Knysna Municipality.

In addition, the official/s shall immediately withdraw from participating in any manner whatsoever in the process relating to the contract. SCM officials shall recognise and disclose any conflict of interest that may arise. SCM officials or other role players shall not place themselves under any financial or other obligation to individuals or organizations that might seek to influence them in the performance of their official duties.

How to combat abuse of SCM Processes

A bid of any bidder may be disregarded if that bidder or any of its directors have:

- Abused the institution's supply chain management system
- Committed fraud or any other improper conduct
- Failed to perform satisfactorily on any previous contract
- Listed in the Register for Tender Defaulters in terms of section 29 of Prevention and Combating of Corrupt Activities Act (No 12 of 2004)

Any employee suspected of acting contrary to this policy will be dealt with in terms of the disciplinary code of Knysna Municipality.

Do's

- Immediately report allegations of supply chain, procurement and tender fraud.
- Always be on the lookout for fraudulent emails or false documents/adverts/scams.
- Be Vigilant, report any suspicious activity.
- If unsure always contact the Knysna Municipality central procurement office for more information regarding existing tenders.

Don'ts

- Do not respond to e-mails requesting your banking details and other personal information.
- Never make cash payments to officials.
- Never take a bribe.
- Do not be a party to crime.

3. LICENCING FRAUD AND TRAFFIC OFFENCES



3.1. Licencing Fraud

Did you know?

- Buying for your license is a form of bribery and corruption and is a criminal offence!
- Owning a fake driver's license could have fatal consequences!
- Buying a driver's license is just that same as any other crime!

- Do's**
- If you know of any driving examiners who are soliciting bribes report the incident immediately.

- Don'ts**
- Never pay bribes/facilitation payments to driving instructors or examiners.

3.2. Traffic Offences

Paying a bribe to a police/traffic officer is a criminal offence! Paying a bribe to a Police/traffic officer may seem like the easy way out, but in reality, you are contributing towards the widespread of corruption in our country. You can be prosecuted!

- Do's**
- Be ethical and acknowledge that you made a mistake.
 - Be on the safe side! Pay for traffic fines.
 - Report traffic officers who try to solicit bribes from motorists.

- Don'ts**
- Do not be tempted to pay a bribe to a traffic official.
 - Never offer gifts or favours to traffic officers.

4. HOUSING FRAUD



Housing fraud includes:

Unlawfully paying money or making any benefits to council officials in return for RDP house, service stands and rented council property or stands. Queue jumping in order to receive benefit unlawfully.

Council officials soliciting money in return for rendering service to the community. Forgery of a prospective beneficiaries' signature, or impersonating a beneficiary as well as the unlawful occupation of RDP houses. Subletting RDP houses or property without permission. Unlawfully paying or offering money to municipal staff in return for building material, municipal land or RDP Houses.

- Do's**
- Immediately report allegations of housing fraud.
 - Make sure your application is legal.

- Don'ts**
- Do not pay for RDP houses.
 - Do not pay an individual for municipal land/houses.
 - Do not pay to be on the top of the housing list/database.

