



**REWARDS FOR FURNISHING INFORMATION
I.R.O.
FRAUD AND CORRUPTION**

MARCH 2016

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REWARDS POLICY

1. INTRODUCTION

Swartland Municipality encourages employees, members of the public or providers of goods and/or services who suspect fraud and corruption to contact any member of Management, the Municipal Manager and/or Internal Audit.

An employee or member of the public who reports suspected fraud and/or corruption may remain anonymous should he/she so desire. Concerns expressed anonymously are difficult to investigate; nevertheless they will be followed up at the discretion of the Manager, Internal Audit in consultation with the Municipal Manager. This discretion will be applied by taking into account the following:

- the seriousness of the issue raised;
- the credibility of the concern; and
- the likelihood of confirming the allegation.

No person will suffer any penalty or retribution for good faith reporting of any suspected or actual incident of fraud and corruption which occurred within Swartland. This may include:

- **Harassment or victimisation:** Swartland acknowledges the fact that the decision to report a concern can be a difficult one to make, not least because of fear of reprisal from those responsible for the irregularity. Swartland will not tolerate harassment or victimisation and will take action to protect employees and members of the public when they raise a concern in good faith.
- **Confidentiality:** Swartland will do its best to protect an individual's identity when he/she raises a concern and does not want their identity to be disclosed. It must be appreciated, however, that the investigation process may reveal the source of the information and a statement by the employee or member of the public may be required as part of the evidence.

2. CRITERIA

Standards have been set for the award of rewards in the interests of transparency, accountability and good governance. The award must adhere to the following prescriptions:

- a) Rewards may only be made if there is an existing budgetary provision and the necessary funds are available.
- b) There is no right to a reward.
- c) A reward will not be made to someone who assisted in the commission of the crime in question.
- d) No reward will be made to a person who purchases stolen Swartland property and offers to return it to the municipality.
- e) No reward will be made to any member of the municipality's law enforcement staff who are acting in the course and scope of their duties.

3. AMOUNT TO BE AWARDED

3.1 Criminal Prosecution

The amount to be awarded in respect of a successful criminal prosecution is to be determined according to the –

- a) Severity of the crime;
- b) Harm/ impact occasioned to the municipality and/ or public interest;
- c) Prevalence of such a crime within the municipal area;
- d) Need to stimulate prosecutions of this nature so as to act deterrent; and
- e) Need to protect the municipality, councillors and officials.

3.2 Provision of information

The amount will be determined in accordance with the following:

- a) Actual value of the savings realised, money recovered, or the extent of the financial savings in future due to the rectification of the irregularity and implementation of preventative controls.
- b) Any award must be commensurate with the extent of the aforesaid financial values.

The final determination of the amount of the award in both above-mentioned cases is however in the sole discretion of the Municipal Manager or the Executive Mayor when the Municipal Manager is not available and will not exceed R5 000.00 per case.

4. AUTHORISATION OF PAYMENT

The Municipal Manager or the Executive Mayor when the Municipal Manager is not available in consultation with Manager, Internal Audit is responsible to:

- a) Authorise the payment of a reward not exceeding R5 000 to any person who provides information leading to the successful criminal prosecution of any person or the dismissal of an employee who has committed any criminal act in or against the municipality as defined in the Local Government: Municipal Systems Act.
- b) Authorise the payment of a reward not exceeding R5 000 to any person who provides information leading to Council achieving substantial savings, recovering monies due to it and/ or the implementation of measures which substantially improve the manner in which it conducts its operations.

5. METHOD OF PAYMENT

To keep the transaction confidential and to protect the identity of the person, an agreement will be entered into with the anonymous person on how the method of payment will be made or in what type of form the payment will be made.

Method of payments:

- a) Credit on prepaid electricity/ municipal account (preferable as money is circulated back to the municipality).
- b) Cash payment to the Municipal Manager out of the approved budget (vote on rewards payment) who will hand it over personally to the whistleblower against a signature.
- c) Rewards awarded will be submitted for audit purposes to the Auditor-General during their annual visit.
- d) A summary of rewards paid (no names) will be submitted quarterly to the Audit Committee.

Approved by Council:

To be implemented with effect from: 1 March 2016