



**CHRIS HANI**  
**DISTRICT MUNICIPALITY**  
**SUSTAINING GROWTH**  
**THROUGH OUR PEOPLE**

## **INVESTIGATION POLICY**

## **INVESTIGATION POLICY**

### **1 PURPOSE**

The purpose of the policy is to provide guidance to enable the municipality to deal with investigation matters.

The investigation policy is established to provide guidelines as to how to respond should instances of fraud and corruption be identified.

The policy guidelines focus on the report, investigation and prosecution of fraudulent and corrupt activities.

### **2 APPLICATION**

- This policy is applicable to all councillors and employees of the municipality.
- Suspicious activities referred to in the investigation policy include acts of external parties, i.e. suppliers, contractors, consultants, etc.
- The person charged with the ownership of this policy is expected to fairly communicate and ensure that all councillors and employees are aware of its existence and application.

### **3 POLICY STATEMENT**

Fraud represents a significant potential risk to the municipality's assets, service delivery efficiency and reputation. The Institution will not tolerate corrupt or fraudulent activities, whether internal or external to the Institution, and will vigorously pursue and prosecute any parties, by all means available, which engage in such practices or attempt to do so.

### **4 LEGAL FRAMEWORK**

- Constitution of the Republic of South Africa
- Criminal Procedure Act;
- Law of Evidence;
- Prevention and Combating of Corrupt Activities Act;
- Labour Relations Act;
- Promotion of Access to Information Act;
- Protection Of Personal Information Act
- Promotion of Administrative Justice Act;
- Municipal Finance Management Act;

- Municipal Systems Act;
- Municipal Systems Act: Code of Conduct for Councillors; and
- Municipal Systems Act: Code of Conduct for Municipal officials.

## **5 INVESTIGATION PROCEDURE**

In the event that fraud or corruption is detected or suspected, investigations will be initiated, and if warranted, disciplinary proceedings, prosecution or action aimed at the recovery of losses will be initiated. The following procedure has been adopted by the municipality as a process to be followed in the investigation of fraud and related incidents.

### **5.1 REPORTING OF SUSPICIOUS ACTIVITIES**

5.1.1 Employees may make use any of the following avenues to report all incidents of fraud and corruption;

- i) Inform immediate supervisor or the manager
- ii) Inform the Legal advisor whose occupation involves giving of legal advice or with the object of and in the course of obtaining legal advice.
- iii) Inform the Municipal Manager
- iv) Inform the Chief Risk Officer.
- v) Utilise the National Anti-Corruption Hotline 0800 701 701

#### **5.1.2 METHOD OF REPORTING**

- i) Individual can choose to remain anonymous
- ii) Verbal or written report

- 5.1.3 Supervisors and managers have a responsibility of escalating all reported incidences of fraud and/or corruption to them by employees to the municipal manager.
- 5.1.4 The conditions leading to reporting crime may differ from one instance to another, but employees are encouraged to use the internal channels.
- 5.1.5 All reports received will be treated with the requisite confidentiality and will not be disclosed or discussed with parties other than those charged with investigation into such reports.
- 5.1.6 The municipal manager has a responsibility of approving all suspected investigations implicating all municipal officials below a level of a Director, section 56 managers.
- 5.1.7 Instances where a councillor/municipal manager/director is implicated in any suspected fraud and/or corruption, such matters have to be reported to the office of the speaker. Such investigations are then approved by the council.
- 5.1.8 The council may utilise financial misconduct committee or appoint an investigation committee comprising of councillors from different political parties together with manager/s responsible for governance to be tasked to perform an investigation relating to the councillor/municipal manager/director.

## **5.2 PRELIMINARY INVESTIGATION**

- 5.2.1 All Managers are responsible for the detection, prevention and investigation of fraud and corruption, within their areas of responsibility.
- 5.2.2 All suspected fraudulent activities reported, will be assessed by the municipal manager and be allocated to the line manager for preliminary investigation or be referred to Risk and Compliance unit.

### **5.3 FORENSIC INVESTIGATION**

- 5.3.1 Forensic investigations will be conducted where there are reasonable grounds to pursue investigation further.
- 5.3.2 Forensic Investigations will be undertaken by appropriately qualified and experienced persons who are independent of the Institution where investigations are required.
- 5.3.3 All investigations performed and evidence obtained will be in accordance with acceptable practices and legal prescripts. Independence and objectivity of investigations are paramount.
- 5.3.4 Any investigation initiated must be concluded by the issue of a report by the person/s appointed to conduct such investigations. Such reports will only be disseminated to those persons required to have access thereto in order to implement whatever action is deemed appropriate as a result of the investigation.
- 5.3.5 The municipal employees are encouraged to assist in the investigation process as may be required.
- 5.3.6 Any investigation into improper conduct within the Institution will be subject to an appropriate level of supervision by a responsible committee, having regard to the seriousness of the matter under investigation.

### **5.4 PROCESS TO BE UNDERTAKEN AFTER INVESTIGATION OUTCOMES**

In the event there is prima facie cause to believe that an act of misconduct has been committed. The Chris Hani District Municipality will perform the following activities;

#### **5.4.1 Disciplinary proceedings**

- All disciplinary proceedings will take place in accordance with SALGBC Disciplinary Procedure Collective Agreement.

#### **5.4.2 Prosecution**

- Should investigations uncover evidence of fraud or corruption in respect of an allegation or series of allegations, the Institution will review the facts at hand to determine whether the matter is one that ought to be reported to the relevant law enforcement agency for investigation and possible prosecution.

- Such reports must be submitted to the South African Police Service if there are criminal elements identified from the outcome of an investigation.
- The municipality will give its full co-operation to any such law enforcement agency including the provision of reports compiled in respect of investigations conducted.

#### **5.4.3 Recovery action**

- Where there is clear evidence of fraud or corruption and there has been a financial loss to the Institution, recovery action (criminal, civil or administrative), will be instituted to recover any such losses in line with Municipal Finance Management Act
- In respect of civil recoveries, costs involved will be determined to ensure that the cost of recovery is financially beneficial.

#### **5.4.4 Internal control review after discovery of fraud**

- In each instance where fraud is detected, Line Management will re-assess the adequacy of the current internal control systems (particularly those controls directly impacting on the fraud incident) to consider the need for improvements.
- It is the responsibility of Head of Department concerned to ensure that internal control systems are re-assessed and recommendations arising out of this assessment are implemented

### **6. DISPUTE RESOLUTION**

Any dispute arising from this policy shall be dealt with in terms of dispute resolution applicable in the sector

### **7. IMPLEMENTATION, MONITORING AND EVALUATION**

The Municipal Manager shall be responsible for overall implementation, monitoring and evaluation of this policy.

### **8. REVISION**

The policy will be reviewed on an annual basis

### **9. EFFECTIVE DATE**

This policy is effective from the date of its approval.

## 9. EFFECTIVE DATE

The effective date of this policy, or any amendments thereto, shall be the date of its adoption by Council.

This policy takes effect on the 14 of December 2022.

Policy adopted on the Chris Hani Municipality council meeting, dated 14 December 2022.

Council Resolution no. C1182

Signed by Municipal Manager:

Mr. G. Mashiyi

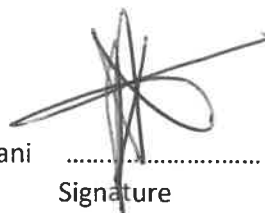


.....  
Signature

.....  
Date

Signed Council Speaker:

ClIr J. Cengani



.....  
Signature

.....  
Date