



CHRIS HANI
DISTRICT MUNICIPALITY
SUSTAINING GROWTH
THROUGH OUR PEOPLE

GIFT, REWARDS AND FAVOURS POLICY

Adopted in an Ordinary Council meeting of 31 May 2023

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1. DEFINITIONS ACRONYMS

ACU	Anti-Corruption Unit
Benefit	Similar to a gift of value to the recipient, but less tangible, e.g. right to use an asset, preferential treatment or access to confidential information. It also includes an indirect benefit where a family member reaps the benefit based on the action of the CHDM employee.
Employees	Employees or consultants working for and on behalf of CHDM
Conflict of interest	A conflict between the CHDM duties and private interests of an official, in which the official has private capacity interest which could improperly influence the performance of official duties and responsibilities.
CHDM	Chris Hani District Municipality
Gift	An item of value that one person presents to another. Gifts may be offered as an expression of gratitude with no obligation to repay in kind, or given to create a feeling of obligation. A gift therefore includes, but is not limited to, money, vouchers, entertainment, hospitality, travel, discount not generally available to members of the public, commodity, property, accommodation, meals, beverages, sport and entertainment tickets, "sport days", hunting trips, functions, sample items, holidays, cash, benefits, token/promotional gifts/items.
HR	Human Resources Management
Theft	It consists of the unlawful appropriation of moveable corporeal property belonging to another with intent to deprive the owner permanently of the property.
Client	Any person or enterprise/ business conducting business with the CHDM

Commercial Value	Goods or items with no monetary value
Official Business	Business where an employee or councilors are representing the employer

2. PURPOSE

To prohibit officials and councilors, in their capacity as CHDM employees, from using their official positions to obtain gifts, favours, rewards or benefits for themselves in the course of their duties and to put measures in place to manage any form of conflict of interest that may arise as a result of the acceptance of these benefits.

3. SCOPE

3.1. The policy applies to all CHDM councilors and employees, be they are permanent, temporary or contract employees.

3.2. The policy also applies to consultants working for or on behalf of CHDM.

4. POLICY STATEMENT

The solicitation or acceptance of gifts, rewards and favours by a CHDM councilor/employee is prohibited. CHDM councilors/employees are prohibited from seeking or accepting anything of value *in their capacity as CHDM councilors/employees*. They are prohibited from using or attempting to use their position to obtain for themselves or others unwarranted privileges that are not properly available to similarly situated individuals.

5. LEGAL FRAMEWORK

Promotion of Access to Information Act, 2 of 2000

Public Sector Integrity Framework.

The Code of Conduct for the municipal Employees and Councilors

The Public Service Act, No 103 of 1994 (as amended)

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Municipal Regulations
Municipal Finance Management Act No.
Municipal Systems Act
The Code of Ethics in the Eastern Cape.
Eastern Province Whistle Blowing Policy.
Protection of Personal Information Act

6. STANDARDS AND PROCEDURES

6.1 This policy shall be supported by documented standards and procedures, which must be communicated and made available to all CHDM users.

7. PERMISSIBLE GIFTS, FAVOURS AND BENEFIT

A councillor/employee may:

- 7.1. Accept coffee, lunch and dinner invitations in their official capacity only if the CHDM councillor/employee pays for him/herself and the purpose of the invitation is to conduct business. These activities should, however, be kept to the minimum level necessary for maintaining effective business relationships.
- 7.2. Accept lunch and dinner invitations if they are employed by divisions whose function entails, *inter alia*, building relationships with other public sector administrations or business, other entities or external stakeholders if the purpose of the function is to improve business relationships (excluding individual service providers).
- 7.3. Accept beverages or other incidental refreshments when it is offered in the ordinary course of duty (e.g. conducting an audit or investigation at a company) and/or at a conference where such foods and beverages are offered at no charge to the employee or where it was included in the conference fee.
- 7.4. Raffle, lottery or draw vouchers where the price is sponsored by a third party other than the party providing the voucher. The winning must contain an element of luck

8. GUIDANCE ON PROHIBITED GIFTS, FAVOURS AND BENEFITS

The following gifts, favours and benefits are not permissible:

- 8.1. Gifts, entertainment, invitations to events (including tickets to sport events) or other special considerations from a service provider, supplier of goods and services or entity doing business with CHDM, either for themselves or for their families (includes immediate and extended family) or their friends;
- 8.2. Loans from a person or an organization / s unless such person or organization is in the business of making loans and the conditions of the loan are no different from those applicable to any other category of client of that person or organization;
- 8.3. Purchasing of goods or services for personal use at a discounted rate or favourable terms not offered to the general public;
- 8.4. Purchasing of goods or services for personal use from vendors who transact business with CHDM unless the said vendor has a retail operation normally open to the public and the CHDM councillor/employee does not derive an additional benefit (e.g. discount) any different to the benefits offered to the general public.
- 8.5. Tokens with no commercial value e.g. calendars, mouse pads and pens with vendor logos. This category of gifts must be declared to the Risk Management Unit.

9. DECLARATION OF GIFTS, FAVOURS AND BENEFITS

- 9.1. To avoid even the appearance of any impropriety CHDM councillors/employees must declare all offers of gifts and gratuities. (Declaration of Gifts Offered or Received Form)
- 9.2. CHDM councillors/employees must declare all gifts that were offered but declined, or actually accepted or received to the Risk Management Unit.
- 9.3. The Risk Management Unit will be responsible for the final registration and administrative procedures regarding declarations of gifts.
- 9.4. The Risk Management Unit is responsible for administering all declared gifts, including but not limited to, the auctioning the gifts, donating the proceeds on behalf of CHDM to a charity of choice or donating the gift in the name of the donor (with the donor's consent) to a charity.
- 9.5. Gifts with commercial value, whether accepted or declined must be declared.

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9.6. Those accepted gifts with a commercial value shall be disposed following the internal processes of the municipality. The Risk Management Unit will register all information pertaining to the declaration of gifts in its Gift Register. This Register will be available for internal and external scrutiny (refer to Promotion of Access to Information Act, Act 2 of 2000).

10. MONITORING OF COMPLIANCE

10.1. Risk Management Unit is responsible for monitoring compliance with this policy.

10.2. Line managers have the responsibility to report non-compliance with this policy to Risk Management Unit.

10.3 Councilors to report non-compliance with this policy to the Council Speaker and consultants working for or on behalf of CHDM to the Municipal Manager.

11. NON-COMPLIANCE WITH THIS POLICY

Non-compliance with this policy by councilors/employees, related procedures and standards is grounds for disciplinary action in accordance with the relevant HR policies, code of conduct for municipal councilors, standards and procedures and or referral to SAPS

12 REVISION

The policy has been reviewed and no amendments have been made.

13 EFFECTIVE DATE

This policy is effective 01 July 2023.

Signed by Municipal Manager:

G. Magnij Gondwana
Initial & Surname Signature

Date

Signed by Speaker of the Council:

J. CERKANI
Initial & Surname Signature

Date

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