

REWARDS, FAVOURS AND GIFTS POLICY

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MPOFANA LOCAL MUNICIPALITY

DATE APPROVED BY COUNCIL	
RESOLUTION NUMBER	
DEPARTMENT	BUDGET AND TREASURY OFFICE
UNIT	SUPPLY CHAIN MANAGEMENT
DATE REVIEWED	

REWARDS, GIFTS AND FAVOURS POLICY

CONTENTS	DESCRIPTION	PAGE
Part 1	Objectives	3
Part 2	General Principles	3-4
Part 3	Value of reward, gifts and favours	4
Part 4	Register of rewards, gifts and favours	4
Part 5	Responsibility of Councillors, Municipal employees to declare rewards, gifts and favours	4
Part 6	Authority of accept reward, gifts and favours	5
Part 7	Accountability	5
Part 8	Enforcement	5
Part 9	Declaration of rewards, gifts or favors for Gift Register	6

1. REWARDS, GIFTS AND FAVOURS POLICY

1.1. PART 1: OBJECTIVE

1.1.1. To set out in clear terms the rules that apply to offers of a reward, gift or favors from persons having or proposing to have a contractual relationship with the Municipality and the responsibilities of Councilors and Municipal employees in this regard. The Code of Conduct and rewards, gifts and favors policy is aimed at ensuring that Councilors and Municipal employees conduct themselves so that their good faith and integrity should not be open to question.

1.2. PART 2: GENERAL PRINCIPLES

1.2.1. Councilors and Municipal employees will appreciate that receipt of hospitality or acceptance of gifts is, in law, no different from the receipt of monies.

1.2.2. To resolve any doubts about the wisdom of accepting rewards, gifts and favors whether or not such is intended (not might be thought to be intended) to influence Councilors or municipal employees' actions, where there is an offer of hospitality or gifts from persons having of proposing to have contractual relationship with the Municipality then the proper course of action for Councilors and Municipal employees is:

- a) To consider acceptance of any such offer only where the Councilor or Municipal employees regards it as normal and reasonable. "Normal and reasonable" is defined for this purpose as no more than the municipality would be prepared to offer in equivalent circumstances. The council will provide guidance as to what may be considered appropriate and councilors and municipal employees should not exceed such guidance without the specific and written authority of the Honorable Mayor or Municipal Manager.
- b) Councilors and Municipal employees must ensure that any rewards, gifts and favors not of a level or amount which lead to the public perception that the individual might be influenced. Councilors and municipal employees should ask question "how would acceptance of the reward, gift or favor be perceived by an objective member of the public" and check the answer by seeking an independent view from within the organization's governance and management structure.
- c) If there is doubt as to the propriety of acceptance, the councilors or municipal employees should decline the offer of a reward, gift or favor.

1.2.3. As a matter of law, it does not matter if the gift, reward or flavour is given to or received by the councillor or municipal employees before or after a contract is awarded or other favour shown. However, the timing of any acceptance of the reward, gift or favour is important as demonstrating a possible connection between acceptance and the grant of a contract. No reward, gift or favour should be accepted from a tenderer in the period between invitation to tender and acceptance by the Municipality nor so far as is practicable in the immediate period before invitations to tender are requested or the immediate period after the grant of a contract. To an extent, a period foreseeable which can be directly linked to the awarding of that particular contract.

(i) SCHEDULE 1 SECTION 9 STATES: -

- A councillor may not request solicit or accept any reward, gift or flavor for:
 - a) Voting or not voting in a particular manner on any matter before the municipal council or before a committee of which that councillor is a member;
 - b) Persuading the council or any committee in regard to the exercise of any power, function or duty;
 - c) Making a representation to the council or any committee of the council; or
 - d) Disclosing privileged or confidential information.

(ii) SCHEDULE 2 SECTION 8 STATES:

- A municipal employees may not request, solicit or accept any reward, gift or favors for:
 - a) Persuading he council of the municipality or any structure or functionary of the council with regard 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; and
 - d) Doing or not doing anything within that municipal employees would constitute a breach of (1).

1.2.4. The code of conduct prohibits any councillor or municipal employees from “soliciting” any gift benefit or reward for example by asking or hitting or making innuendo to that effect, whether directly or indirectly in the workplace or elsewhere through the agency of a colleague, friend or relative.

1.2.5. Within reason, the distribution of company specific items shall not be classified as gift, rewards or favours. However, this indulgence should not be extended to tenderers, persons with whom there are legal disputes or any person in an adversarial or doubtful relationship with the municipality.

1.3. PART 3: VALUE OF REWARD, GIFTS AND FAVOURS (NORMAL AND REASONABLE)

1.3.1. Councillors and municipal employees are required to report and register rewards, gifts and favours above a prescribed value which is determined by the council from time to time.

1.4. PART 4: REGISTER OF REWARDS, GIFTS AND FAVOURS

1.4.1. An electronic register will be kept and maintained in the office of the Municipal Manager’s Office and should be reviewed periodically by the Internal Audit. A gift declaration form (ANNEXURE A) shall be completed by councillors and municipal employees who have received a rewards, gifts and favours which exceeds the approved value. Each declaration submitted will be allocated a serial number by the Municipal Manager for reference purposes.

1.5. PART 5: RESPONSIBILITY OF CUNCILLORS AND MUNICIPAL EMPLOYEES TO DECLARE REWARDS, GIFTS AND FAVOURS

1.5.1. It is the responsibility of councillors and municipal employees to declare all rewards, gifts and/or favours which exceed the value determined by council.

1.6. PART 6: AUTHORITY TO ACCEPT REWARD, GIFTS AND FAVOURS**1.6.1. *Municipal Employees***

The responsibility of granting authority to municipal employees to accept rewards, gifts or favours rests with the Municipal Manager;

1.6.2. *Councillors*

The responsibility of granting authority to councillors to accept rewards, gifts or favours rest with the Honorable Mayor.

1.7. PART 7: ACCOUNTABILITY

1.7.1. The Municipal Manager shall provide details of all rewards, gifts and favours received by the councillors and municipal employees and authorised by the Honorable Mayor or Municipal Manager to the Audit Committee and Mayoral Committee on a quarterly basis.

1.8. PART 8: ENFORCEMENT

1.8.1. The municipal councillors or municipal employees who accept rewards, gifts or favours without declaring them in breach of the code of conduct will be dealt with in terms of the disciplinary procedures of the municipality

Declaration of reward, gift and/or favour for gift register		
Register number: _____	Date	_____/_____/_____
Details of Sponsor (contributor)		
Company Name		
Name of Company Representative		
Service Provided		
Relationship		
Service Period		
Details of Recipient		
Name		
Department		
Employee/ Councilor Number		
Employee / Councilor Signature		
Details of Reward, Gift or Favours Received		
No.	Description	Approx. Monetary Value
Have any reward, gifts or favours been received from this company before? (Mark with "X")	Yes	No
If yes, please provide a description of this gift (s):		
Honorable Mayor / Municipal Manager Approval (FOR OFFICE USE ONLY)		
The above gift is (Mark with "X")		
<input type="checkbox"/>	To be returned to supplier with a letter of thanks	
<input type="checkbox"/>	To be enjoyed by the councilor or employee above	
<input type="checkbox"/>	To be enjoyed by the department under management supervision	
Comments		
Honorable Mayor / Municipal Manager: _____		
(Signature)		
Date: _____/_____/_____		