



MADIBENG LOCAL MUNICIPALITY
INTEGRITY MANAGEMENT FRAMEWORK

1.1 Part B – Integrity Principles

Facilitation Payments Policy Statement

Principle 5: Facilitation Payments



Municipal Integrity Framework - Integrity Principle 5

Facilitation Payments

2. Introduction

MLM prides itself in running the municipality effectively, efficiently and free from all forms of Corruption and Bribery. MLM is committed to improving the lives of its residents through accelerated delivery of services and ensuring that they consistently experience standards of service excellence.

In order to deliver on service excellence it is essential that our frontline staff bear a common set of values that will guide their interaction with Clients.

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3. Purpose and Objectives

The purpose of this Policy Statement is to address the payment of Facilitation Payments which has for a long time been rife in South African culture. Facilitations Payments, sometimes known as “grease” payments, are illegal in South Africa. Facilitation payments are a type of a bribe and are a criminal offence in terms of South African legislation.

This Policy Statement seeks to provide rules and measures to against receiving and/or soliciting of Facilitation Payments within MLM.

The objective of this Policy Statement is to ensure that conduct and decision making of all MLM Employees should be founded from the values of ethics and integrity.



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These values should at all times be at the fore front of their decision making. MLM Employees should at all times strive to serve the consumers and residents of MLM in a fair and equitable manner without fear or favour.

4. Scope

This Policy Statement shall apply to all Employees, as defined, and where applicable, as well as Employee's employed by any of the entities within MLM.

In instances where an existing Policy Statement and/or procedure does exist, the principle around the application thereof shall be that the higher/stricter/more stringent Policy Statement and/or procedure shall always apply.

This Policy Statement forms part of the terms and conditions of employment. The MLM reserves the right, at its sole discretion, to amend, modify or waive any term or condition in this Policy Statement, subject to obtaining relevant input from affected employees.

5. Definitions

Term	Definition
Bribery	Bribery involves the promise, offering or giving of a benefit that improperly affects the actions or decisions of an MLM employee. This includes sexual bribery.
Clients	Any person (including a legal entity) to which MLM provides or intends to provide Goods or Services including residents, property owners, developers, tenants, shareholders and persons or legal entities associated with such Clients.
Corruption	Any offence in terms of the Prevention and Combating of Corrupt Activities Act, 2004 (Act No 12 of 2004).



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Employees	Any person who works for the Council and who receives, or is entitled to receive, any remuneration; and any other person who in any manner assists in carrying on or conducting the business of the Council. For purposes of this Framework, employee includes independent contractors, labour broker employees, persons seconded from other local, provincial or national government, or seconded from any entity belonging to a local, provincial or national government.
Facilitation Payment(s)	Facilitation Payments are typically unofficial payments made to secure or expedite a routine government action by a government official whose duties are essentially administrative in nature. The Facilitation Payment is made in order to secure the performance of routine governmental non-discretionary actions to which the payer is legally entitled.
Services	Any intangible activities such as cleaning, consultancy, legal etc.

6. Applicable law, Regulations and Codes

A copy of the applicable laws, regulations and codes can be obtained from HR / risk departments.

What follows hereunder is only a brief summary of some of the provisions contained therein.

Prevention and Combating of Corrupt Activities Act 12 of 2004



Offences of receiving or offering of unauthorised gratification by or to party to an employment relationship — Any person—

- (a) who is party to an employment relationship and who, directly or indirectly, accepts or agrees or offers to accept from any other person any unauthorised gratification, whether for the benefit of that person or for the benefit of another person; or
- (b) who, directly or indirectly, gives or agrees or offers to give to any person who is party to an employment relationship any unauthorised gratification, whether for the benefit of that party or for the benefit of another person,

in respect of that party doing any act in relation to the exercise, carrying out or performance of that party's powers, duties or functions within the scope of that party's employment relationship, is guilty of the offence of receiving or offering an unauthorised gratification.

7. Policy Statements and Workplace Rules

It is unlawful and a criminal offence for an Employee to solicit; receive; accept or offer to accept a Facilitation Payment.

Facilitation payments should not be accepted or made; it is simply another form of bribery.

If you make or accept a payment which could possibly be misunderstood as a Facilitation Payment, you should notify your line manager immediately.

The difference between a Facilitation Payment and paying for a legitimate service is that the legitimate service will be advertised at a set tariff which is the same for everyone, and be paid for transparently to a department and a receipt provided. The Facilitation Payment will be given to an individual and hidden. No receipts will be given.

When you encounter a situation that is or may be a request, or an offer, for a Facilitation Payment, you should immediately report this to your line manager. Such practical problems do arise in everyday business, but can usually be resolved in other ways.

Never attempt to disguise a Facilitation Payment as something else or conceal it. Approval to make or receive Facilitation Payments will not be given.



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If payments are demanded or offered under duress, you should not compromise your safety and security or that of your colleagues. Employees should immediately report any incidents of this nature to their line manager.

Facilitation Payments to a lower level government official as a personal benefit to them to secure or speed up the performance of a routine action to which the payer is entitled are an issue as it may open the door to more serious forms of corruption.

8. Communication

This Policy Statement will be communicated to all Municipal employees using the full range of communication method available to the municipality.

9. Contravention

Compliance with this Policy Statement is mandatory for all Employees of MLM. Non-compliance and/or breach of this Policy Statement will be viewed as serious misconduct which can result in disciplinary action that may include the termination of employment.

A contravention of this Policy Statement may also amount to a criminal offence. Section 10 of PRECCA states that it is a criminal offence to accept 'unauthorized gratification' for anything you do relating to your workplace.



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10. Reporting

Every Employee has a duty to report all suspected incidents of a breach of this Policy Statement to the Office of the Chief Risk Officer. If an Employee wishes to remain anonymous, the Employee may call the Fraud Hotline. All queries can be submitted to the Ethics Office on ethics@madibeng.gov.za