



DISCLOSURE OF INTEREST AND DECLARATION OF FINANCIAL INTEREST POLICY

Item 5/5
as approved by Council on
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DISCLOSURE ON INTEREST AND DECLARATION OF FINANCIAL INTEREST BY COUNCILLORS AND OFFICIALS

1. OBJECTIVES

The objectives of this Policy are as follows:

- (a) to ensure compliance to legislation in terms of Disclosure of Interest and Declaration of Financial Interest of both officials and councilors;
- (b) to provide procedures which outline the process for Disclosure of Interest and Declaration of Financial Interest;
- (c) to outline the process for dealing with actual disclosure and declarations made.
- (d) to outline measures to be taken if compliance to the policy is not adhered to.

2. LEGISLATIVE REQUIREMENTS

- (a) In terms of Schedule 1 of the Municipal Systems Act, Act 32 of 2000, which relates to the Code of Conduct for Councillors, Section 5 refers to disclosure of interest.
- (b) In terms of Schedule 1 of the Municipal Systems Act, Act 32 of 2000, which relates to the Code of Conduct for Councillors, Section 6 refers to personal gain.
- (c) In terms of Schedule 1 of the Municipal Systems Act, Act 32 of 2000, which relates to the Code of Conduct for Councillors, Section 7 refers to declarations of interest.
- (d) In terms of Schedule 1 of the Municipal Systems Act, Act 32 of 2000, which relates to the Code of Conduct for Councillors, Section 9 refers to rewards gifts and favours.
- (e) In terms of Schedule 2 of the Municipal Systems Act, Act 32 of 2000, which relates to the Code of Conduct for Municipal Staff Members, Section 4 refers to personal gain.
- (f) In terms of Schedule 2 of the Municipal Systems Act, Act 32 of 2000, which relates to the Code of Conduct for Municipal Staff Members, Section 5 refers to disclosure of benefits.
- (g) In terms of Schedule 2 of the Municipal Systems Act, Act 32 of 2000, which relates to the Code of Conduct for Municipal Staff Members, Section 5A refers to declaration of interests

- (h) In terms of Schedule 2 of the Municipal Systems Act, Act 32 of 2000, which relates to the Code of Conduct for Municipal Staff Members, Section 8 refers to rewards, gifts and favours.
- (i) In terms of King III which relates to Ethics, Risk and Opportunity Profile.

3. PROCEDURE FOR DISCLOSURE OF INTEREST RELATING TO MATTERS DISCUSSED IN A MEETING

- (a) On all Agenda of Council and other Committees, a standing item relating to Disclosure of Interest should appear.
- (b) Any Councillor or Official is required to disclose any direct or indirect personal or private interest of himself/herself, his/her spouse, partner, business associate or close family member may have in any matter before the council or committee.
- (c) If such a disclosure is made, the council or committee must then allow the councillor or official disclosing an interest to withdraw from the proceedings when that matter is discussed by the council or committee.

4. PROCEDURE FOR DISCLOSURE OF INTEREST IN ANY OTHER MATTER

- (a) A councillor or official who, or whose spouse, partner, business associate or close family member, acquired or stands to acquire any direct benefit from a contract concluded with the municipality,

Or

Where a councillor or official who, or whose spouse, partner, business associate or close family member, is having any financial interest in any business

must disclose full particulars of the benefit or interest of which the councillor or official is aware of on the applicable form (Annexure A) and submit duly completed form to the Speaker (in the case of a Councillor) or Municipal Manager (in the case of an Official) or directly to the Manager Administration.

- (b) Upon receipt of said form, the office of the Municipal Manager and the office of the Speaker should forward the form received to the Manager Administration.
- (c) The Manager Administration, upon receipt of form, captures information in the Disclosure of Interest Register and the original form is filed.
- (d) A copy of the said form is then forwarded to the Manager : Income & Budget Division to incorporate said disclosure in the notes to the annual

financial statements in terms of the Supply Chain Management Policy Section 45.

- (e) A copy of the form is also forwarded to the Manager : Supply Chain to ensure section 44 of the supply chain management policy is adhered to.

5. PERSONAL GAIN & PROCEDURE FOR APPLICATIONS TO ENGAGE IN BUSINESS OTHER THAN WORKING FOR THE MUNICIPALITY

- (a) No Councillor or Official of the Municipality may be a party to or beneficiary under a contract for the provision of services to any municipality or any municipal entity established by a municipality.
- (b) Except with the prior consent of the council of a municipality, a staff member of the municipality may not be engaged in any business, trade or profession other than the work of the municipality.
- (c) In order to obtain permission from Council, an application must be submitted to the Manager Human Resource for preparation of an Item via the Admin & HR Standing Committee, Exco and ultimately Council. The Council will then consider the application.
- (d) It should be noted that completion of a Disclosure of Interest form does not provide permission for engaging in any business, trade or profession other than the work of the municipality.

6. PROCEDURE IN DEALING WITH REWARDS, GIFTS AND FAVOURS

- (a) Gifts received by official or councillors to the value of less than R350-00 must be declared on the approved form (Annexure B) and submitted to the Manager Administration for capture in the register within 30 days from receipt of said gift.
- (b) The Manager Administration will then provide the form to the Municipal Manager for approval.
- (c) Gifts offered to officials and councillors over the value of R350-00 may not be accepted and must be reported to the Municipal Manager on approved form (Annexure B).
- (d) The Municipal Manager will then report the matter to the National Treasury for considering whether the offending person, and any representative through which such person is alleged to have acted, should be listed in the National Treasury's database of persons prohibited from doing business with the public sector.

7. PROCEDURE FOR DECLARATION OF FINANCIAL INTEREST

- (a) In terms of Schedule 1 and 2 of the Municipal Systems Act, Act 32 of 2000, all Councillors as well as Officials appointed in terms of Section 55 and 56 must with 60 days after appointment make the necessary declaration of financial interests on the approved form (Annexure C).
- (b) Any change in the nature or detail of the financial interest declared must be declared in writing quarterly, ie March, June, October, December.
- (c) Annually during January of every year, the forms will be circulated to Councillors and Section 55 and 56 employees to be updated and irrespective whether or not their financial status has changed, a new form should be completed.
- (d) No financial interest of Councillors or Section 55 and 56 employees will be made public, unless required in terms of relevant legislation.
- (e) By 30 January of each year the completed forms must be submitted to the Manager : Administration and will be captured in the register.
- (f) Any person who has not complied will be referred to the Municipal Manager, Mayor and Speaker respectively so that necessary actions can be taken in terms of the code of conduct.

8. PROCEDURE FOR DISCLOSURE OF DETAILS OF FAMILY MEMBERS

- (a) All Councillors and Officials are required to disclosure details of close family members, namely spouse and children.
- (b) Form D is completed by each employee and councillors and submitted to Human Resource Division.
- (c) Human Resource Division then provides copy of said form to Supply Chain Management and captures the original form in the Personnel Files of each individual.
- (d) Supply Chain Management to maintain a database of all employees and close family members to ensure that contracts are not allocated to individuals or family members.
- (e) Disclosure of any other family involved in business with the state should be disclosed on Form A as soon as employee/councillor becomes aware of such business/transactions.

9. COMMUNICATION OF POLICY

- (a) The Office of the Speaker will ensure communication of the policy to all Councillors and ensure that each acknowledges receipt of policy, of which acknowledgement should be placed on personnel file.
- (b) The Municipal Manager, through the Human Resource Division will ensure that the policy is communicated to all Officials and ensure that

each acknowledges receipt of policy, of which acknowledgement should be placed on personnel file.

11. FORMS

- (a) FORM A – Disclosure of any Interest
- (b) FORM B – Disclosure of Gifts /Rewards offered/received.
- (c) FORM C – Declaration of Financial Interest
- (d) FORM D – Disclosure of Details of Family Members



FORM A

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DECLARATION / DISCLOSURE OF ANY INTEREST

Name of Employee

ID Number of Employee :.....

Nature of Interest to be declared :.....

(Name of Company / Name of Person / Tender in which interest is declared)

Brief Description of the Interest Declared :

.....

.....

.....

.....

.....

.....

Estimated Amount Involved :

Signature of Declarer :

Date of Declaration :

FOR OFFICE USE

REGISTER REF NR :

CAPTURED IN REGISTER BY :

NAME : ID NUMBER :

DATE : SIGNATURE :

DATE REPORTED TO ACCOUNTING OFFICER :

ACCOUNTING OFFICERS SIGNATURE :



FORM B

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DISCLOSURE OF GIFTS/REWARDS RECEIVED/OFFERED

Name of Employee

ID Number of Employee :.....

Nature of GIFT / REWARD :

Was GIFT / REWARD Accepted :

From who was the gift/reward received or offered :

.....

Estimated Amount Involved :

Signature of Declarer :

Date of Declaration :

FOR OFFICE USE

REGISTER REF NR :

CAPTURED IN REGISTER BY :

NAME : ID NUMBER :

DATE : SIGNATURE :

DATE REPORTED TO ACCOUNTING OFFICER :

ACCOUNTING OFFICERS SIGNATURE :



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FINANCIAL DISCLOSURE FORM

I, the undersigned (surname and initials) _____

(Postal address) _____

(Residential address) _____

(Position held) _____

(Name of Municipality) _____

Tel: _____

Fax: _____

hereby certify that the following information is complete and correct to the best of my knowledge:

1. **Shares and other financial interests (Not bank accounts with financial institutions.)**
See information sheet: note (1)

Number of shares/Extent of financial interests	Nature	Nominal Value	Name of Company/Entity

2. **Directorships and partnerships**
See information sheet: note (2)

Name of corporate entity, partnership or firm	Type of business	Amount of Remuneration/

CONFIDENTIAL**3. Remunerated work outside the Municipality**

Must be sanctioned by Council. See information sheet: note (3)

Name of Employer	Type of Work	Amount of remuneration/

4. Consultancies and retainerships

See information sheet: note (4)

Name of client	Nature	Type of business activity	Value of any benefits received

5. Sponsorships

See information sheet: note (5)

Source of assistance/sponsorshi	Description of assistance/ Sponsorship	Value of assistance/sponsorshi

6. Gifts and hospitality from a source other than a family member

See information sheet: note (6)

Description	Value	Source

7. Land and property

See information sheet: note (7)

Description	Extent	Area	Value

SIGNATURE _____

DATE: _____

PLACE: _____

OATH/AFFIRMATION

1. I certify that before administering the oath/affirmation I asked the deponent the following questions and wrote down her/his answers in his/her presence:

(i) Do you know and understand the contents of the declaration?

Answer _____

(ii) Do you have any objection to taking the prescribed oath or affirmation?

Answer _____

(iii) Do you consider the prescribed oath or affirmation to be binding on your conscience?

Answer _____

2. I certify that the deponent has acknowledged that she/he knows and understands the contents of this declaration. The deponent utters the following words: "I swear that the contents of this declaration are true, so help me God." / "I truly affirm that the contents of the declaration are true". The signature/mark of the deponent is affixed to the declaration in my presence.

Commissioner of Oath /Justice of the Peace

Full first names and surname:

_____(Block letters)

Designation (rank) _____ Ex Officio Republic of South Africa

Street address of institution _____

Date _____ Place _____

FOR OFFICE USE

REGISTER REF NR :

CAPTURED IN REGISTER BY :

NAME : ID NUMBER :

DATE : SIGNATURE :

DATE REPORTED TO ACCOUNTING OFFICER :

ACCOUNTING OFFICERS SIGNATURE :

INFORMATION SHEET FOR THE FINANCIAL DISCLOSURE FORM

The following notes is a guide to assist with completing the attached Financial Disclosure form (Form C):

NOTE 1 : Shares and other financial interests

Designated employees are required to disclose the following details with regard to shares and other financial interests held in any private or public company or any other corporate entity recognized by law:

- The number, nature and nominal value of shares of any type;
- The nature and value of any other financial interests held in any private or public company or any other corporate entity; and
- The name of that entity.

NOTE 2 : Directorships and partnerships

Designated employees are required to disclose the following details with regard to directorships and partnerships:

- The name and type of business activity of the corporate entity or partnership/s; and
- The amount of any remuneration received for such directorship or partnership/s.

Directorship includes any occupied position of director or alternative director, or by whatever name the position is designated. Partnership is a legal relationship arising out of a contract between two or more persons with the object of making and sharing profits.

NOTE 3 : Remunerated work outside the public service (All remunerated employment must be sanctioned prior to the work being done.)

Designated employees are required to disclose the following details with regard to remunerated work outside the public service.

- The type of work;
- The name and type of business activity of the employer; and
- The amount of the remuneration received for such work.

Remuneration means the receipt of benefits in cash or kind. Work means rendering a service for which the person receives remuneration.

NOTE 4 : Consultancies and retainerships

Designated employees are required to disclose the following details with regard to consultancies and retainerships:

- The nature of the consultancy or retainership of any kind;
- The name and type of business activity, of the client concerned; and
- The value of any benefits received for such consultancy or retainerships.

NOTE 5 : Sponsorships

Designated employees are required to disclose the following details with regard to sponsorships:

- The source and description of direct financial sponsorship or assistance; and
- The value of the sponsorship or assistance.

NOTE 6 : Gifts and hospitality from a source other than a family member

Designated employees are required to disclose the following details with regard to gifts and hospitality:

- A description and the value and source of a gift with a value in excess of R350;
- A description and the value of gifts from a single source which cumulatively exceed the value of R350 in the relevant 12 month period; and
- Hospitality intended as a gift in kind.

Designated employees must disclose any material advantage that they received from any source e.g. any discount prices or rates that are not available to the general public.

All personal gifts within the family and hospitality of a traditional or cultural nature need not be disclosed.

NOTE 7 : Land and Property

Designated employees are required to disclose the following details with regard to their ownership and other interests in land and property (residential or otherwise both inside and outside the Republic):

- A description and extent of the land or property;
- The area in which it is situated; and
- The value of the interest.



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DISCLOSURE OF DETAILS OF FAMILY MEMBERS

Name of Employee

ID Number of Employee :.....

Position : Unit :

NAME OF SPOUSE / CHILD	ID NUMBER	BUSINESS INTEREST

NB : ADDITIONAL DISCLOSURE OF FAMILY MEMBERS INVOLVED IN BUSINESS WITH THE STATE SHOULD BE DISCLOSED ON FORM A AS SOON AS EMPLOYEE/COUNCILLOR BECOMES AWARE OF SUCH BUSINESS/TRANSACTIONS.

DATE SUBMITTED TO SUPPLY CHAIN UNIT :

SIGNATURE : SUPPLY CHAIN UNIT OFFICIAL :

FOR OFFICE USE

CAPTURED IN PERSONNEL FILE BY :

NAME : ID NUMBER :

DATE : SIGNATURE :