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DR. BEYERS NAUDÉ LOCAL MUNICIPALITY

REWARDS GIFTS AND FAVOURS POLICY

APPROVED & ADOPTED BY COUNCIL ON 24th March 2026. (RESOLUTION NO. SCOUN-202.2/26)	TO BE REVIEWED: 30TH JUNE 2027.	RESPONSIBLE ADMINISTRATION UNIT: DIRECTORATE FINANCIAL SERVICES
DR. E.M RANKWANA: MUNICIPAL MANAGER		

Table of Contents

PART 1:	OBJECTIVE	3
PART2:	GENERAL PRINCIPLES	3
PART 3:	VALUE OF REWARDS, GIFTS AND FAVOURS	5
PART 4:	REGISTER OF REWARDS, GIFTS AND FAVOURS	5
PART 5:	RESPONSIBILITIES OF COUNCILLORS AND STAFF MEMBERS TO DECLARE REWARDS GIFTS AND FAVOURS	5
PART 6:	AUTHORITIES TO ACCEPT REWARDS, GIFTS AND FAVOURS	5
PART 7:	ACCOUNTABILITY	5
PART 8:	ENFORCEMENT	6
PART 9:	POLICY REPEAL	6
PART 10:	POLICY APPROVAL AND COMMENCEMENT	6
ANNEXURE A		7

PART 1 OBJECTIVE

To set out in clear terms the rules that apply to offers of a reward, gift or favours from persons having or proposing to have a contractual relationship with the municipality and the responsibilities of councillors and staff members in this regard. The Code of Conduct and Rewards, Gifts and Favours Policy is aimed at ensuring that councillors and staff members conduct themselves so that their good faith and integrity should not be open to question.

PART 2 GENERAL PRINCIPLES

Councillors and staff members will appreciate that receipt of hospitality or acceptance of gifts is, in law, no different from the receipt of monies.

To resolve any doubts about the wisdom of accepting rewards, gifts and favours whether or not such is intended (or might be thought to be intended) to influence councillors or staff member's actions, where there is an offer of hospitality or gifts from persons having or proposing to have contractual relationship with the municipality, then the proper course of action for councillors and staff members is:

- a) To consider acceptance of any such offer only where the councillor or staff member 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 councillors and staff members should not exceed such guidance without the specific and written authority of the Executive Mayor or Municipal Manager.
- b) Councillors and staff members must ensure that any rewards, gifts and favours are not of a level or amount which would lead to the public perception that the individual might be influenced. Councillors and staff members should ask themselves the question "how would acceptance of the reward, gift or favour 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 councillor or staff member should decline the offer of a reward, gift or favour.

As a matter of law, it does not matter if the gift, reward or favour is given to or received by the councillor or staff member 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 the 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.**

Schedule 1 and 2 of the Municipal Systems Act No. 32 of 2000 contains the code of conduct for councillors and municipal staff members respectively.

SCHEDULE 1 SECTION 9 STATES:

1. A councillor may not request, solicit or accept any reward, gift or favour 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.

SCHEDULE 2 SECTION 8 STATES:

1. A staff member of the municipality may not request, solicit or accept any reward or gift in favour for:
 - a) Persuading the 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; or
 - d) Doing or not doing anything within that staff member's powers or duties.
2. As staff member must without delay report to a superior official or to the speaker of the council any offer which, if accepted by the staff member, would constitute a breach of (1).

The code of conduct prohibits any councillor or staff member from "soliciting" any gift benefit or reward for example by asking or hinting or making innuendo to that effect, whether directly or indirectly in the workplace or elsewhere through the agency of a colleague, friend or relative.

Within reason, the distribution of company specific items shall not be classified as gifts, favours or rewards. 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.

PART 3 VALUE OF REWARDS, GIFTS AND FAVOURS (Normal and Reasonable)

Councillors and staff members are required to report and register rewards, gifts and favours of **R350 and above, whether received by themselves or their immediate family. Immediate family will be regarded as wife, husband, children, brother, sister, mother or father.**

PART 4 REGISTER OF REWARDS, GIFTS AND FAVOURS

A register will be kept and maintained in the office of the Municipal Manager and Internal Audit should review the register periodically. A gift declaration Form (ANNEXURE A) shall be completed by councillors and staff members who have received a rewards, gift or favour which exceeds the approved value. Each declaration submitted will be allocated a serial number by the municipal manager for reference purposes.

PART 5 RESPONSIBILITIES OF COUNCILLORS AND STAFF MEMBERS TO DECLARE REWARDS, GIFTS AND FAVOURS

It is the responsibility of councillors and staff members to declare all rewards, gifts and or favours which exceed the value determined by council.

PART 6 AUTHORITIES TO ACCEPT REWARDS, GIFTS OR FAVOURS

Staff Members

The responsibility of granting authority to staff members to accept rewards, gifts or favours rests with the Municipal Manager.

Councillors

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

PART 7 ACCOUNTABILITY

The Municipal Manager shall provide details of all rewards, gifts and favours received by councillors and staff members and authorized by the Executive Mayor or Municipal Manager to the Audit Committee on a quarterly basis and to every ordinary Executive Committee meeting.

PART 8 ENFORCEMENT

Municipal Councillors or staff members who accept rewards, gifts or favours without declaring them are in breach of the code of conduct and will be dealt with in terms of the disciplinary procedures of the municipality.

PART 9 POLICY REPEAL

This Policy replaces any previous policy of Dr Beyers Naudé Municipality as far as it may refer to rewards, gifts and favours as defined in this Policy.

Once approved or adopted by the Council, the Rewards, Gifts and Favours Policy will form part of Municipality's internal control mechanism, Delegations Register and Financial Regulations of the Dr Beyers Naudé Municipality.

PART 10 POLICY APPROVAL AND COMMENCEMENT

The implementation of this Policy takes effect on 01 July 2026 and the Policy must be reviewed within 12 months of its current date of effect or earlier if dictated by circumstances or any change to existing legislation.

This Rewards, Gifts and Favours Policy is approved by Council on **24th March 2026, (RESOLUTION NO. SCOUN-202.2/26)** and will be implemented with effect from 01st July 2026.

ANNEXURE A – Copy of a Declaration of Reward, Gift or Favour for Gift Register

DR BEYERS NAUDE MUNICIPALITY

DECLARATION OF REWARD, GIFT 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				
Branch / Department				
Staff Number				
Details of Reward, Gift or Favour Received				
No.	Description	Approx. Monetary Value		
Have any rewards gifts or favours been received from this company before? (Mark with "X")		Yes	No	
If yes, please provide a description of this gift (s):				
Municipal Manager Approval (FOR OFFICE USE ONLY)				
The above gift is: (Mark with "X")				
	To be returned to supplier with a letter of thanks			
	To be enjoyed by the councillor or official, above			
	To be enjoyed by the branch / department under management supervision			
Comments				
Municipal Manager / Mayor: _____ (Signature)				
Date: _____ / _____ / _____				