WHISTLE BLOWING MANAGEMENT POLICY

Adopted by Council at Item C.15.1
on 27 August 2026

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1. INTRODUCTION

One of the key obstacles in the fight against corruption is the fact that, without legal protection, individuals are often too intimidated to speak out or blow the whistle on criminal and irregular activities they observe in the workplace. Problems identified as the most significant potential barriers in preventing employees from taking action about workplace misconduct are:

- Conduct being seen as justified and correct when it should not be, resulting in an ethical dilemma for the public official;
- The attitude that there is no point in reporting corruption as nothing will be done about it;
- concern about personal and professional retaliation; and
- Not knowing how and where to report corruption.

The CWDM is committed to the highest standards of openness, integrity and accountability. We aim to promote a culture in which employees feel able to raise genuine and valid concerns without fear of victimisation, discrimination or disadvantage. Members of the public and service providers are also encouraged to raise concerns about our activities so that we can investigate and take appropriate action. The CWDM therefore recognises the fact that:

- Criminal and other irregular conduct within the CWDM is detrimental to good, effective, accountable and transparent governance;
- There is a need for procedures in terms of which employees should, without fear of reprisals, disclose information relating to suspected or alleged criminal or other irregular conduct;
- Every employee has a responsibility to disclose criminal and/or any other irregular conduct in the workplace; and
- Employees who disclose such information must be protected from any reprisals as a result of such disclosure.

The Protected Disclosures Act came into effect on 16 February 2001. In order to remain in compliance with the Act, and its duty as a public body in terms of the Constitution to promote good governance, the CWDM will through the development and adoption of this policy:-

• Strive to create a culture which will facilitate the disclosure of information by employees relating to criminal and other irregular conduct in the workplace in a responsible manner by providing clear guidelines for the disclosure of such information and protection against reprisals as a result of such disclosure; and

• Promote the eradication of criminal and other irregular conduct within the CWDM.

The policy is intended to encourage and enable staff to raise concerns rather than overlooking a problem or blowing the whistle through inappropriate channels. The purpose of this policy is not to circumvent or undermine established disciplinary procedures, grievance procedures, or collective agreements.

2. OBJECTIVES

The objectives of this policy are to-

- Provide avenues for staff to raise concerns;
- Promote cooperation between management and organised labour in the implementation of this policy;
- Inform staff on how to take the matter further if they are dissatisfied with the response; and
- Reassure staff that they will be protected from reprisals or victimisation for whistle blowing in good faith.

3. SCOPE

It outlines the detailed procedures for Councillors, Municipal Staff, Service Providers and Members of the Public who wish to raise or report serious concerns within Cape Winelands District Municipality confidentially and without fear of retaliation.

The policy does not constitute a grievance procedure. There is a grievance procedure in place for employees to raise grievances about their employment. Whistleblowing will help the municipality break the cycle of silence and inaction and minimise fraud and corruption.

4. REPORTING OF ALLEGATIONS AND COMPLAINTS PROCEDURES

a. When a complaint or allegation is received, the recipient is responsible for promptly reporting all incidents of fraud, corruption, theft, maladministration, and other suspected irregularities to the Municipal Manager, or, if the complaint or allegation is against the Municipal Manager, it must be reported to the Responsible Official for the Whistle Blowing System, Chief Audit Executive, the Executive Mayor, and the Speaker.

b. Where an employee is alleged to have committed an act of fraud, corruption, theft, or maladministration, the Municipal Manager must institute disciplinary proceedings in terms of the applicable disciplinary procedures, taking into account the employees right to just administrative practice prescribed in the Constitution.

c. Where a councillor is alleged to have committed an act of fraud, corruption, or theft, the Speaker or Council must institute an investigation in terms of section 13 and 14 respectively, of the Code of Conduct for Councillors as contained in the Municipal Systems Act, read with the applicable regulations applicable to said topic; and also in terms of section 15 and 16 respectively of the Code of Conduct for Councillors as contained in the Municipal Structures Amendment Act, Act 3 of 2021.

d. As soon as disciplinary hearings concerning charges of fraud, corruption, theft, maladministration and other suspected irregularities of this nature are completed, the outcome must be reported promptly to the Municipal Manager administratively and functionally to the Fraud and Risk Management Committee.

e. The Municipality shall report all instances of prima facie criminal conduct to the appropriate authorities.

f. Consistent with section 32 of the MFMA and in terms of the Fraud and Corruption Policy, the Municipal Manager must inform the Executive Mayor, Council, the MEC for Local Government in the Province and the Auditor-General South Africa (AGSA), in writing of-
   - ✓ Any unauthorized, irregular, fruitless and wasteful expenditure incurred by the Municipality; and in terms of the Fraud and Corruption Policy, shall also include serious incidents of fraud, corruption, theft, maladministration and other suspected irregularities of this nature;
   - ✓ Whether any person is responsible or under investigation for such unauthorised, irregular or fruitless and wasteful expenditure; and

   The steps that have been taken-
   - ✓ To recover or rectify such expenditure; and
   - ✓ To prevent a recurrence of such expenditure.

g. The writing off of any unauthorized, irregular, fruitless and wasteful expenditure or any other expenditure incurred as a result of fraud, corruption, theft, maladministration and any other suspected irregularity as irrecoverable, does not prevent criminal or disciplinary proceedings being instituted against a person charged with an offence relating to such expenditure. All legal procedures regulating this type of reporting will be adhered to.

h. The Municipality may, in terms of this policy and section 176 (2) of the MFMA, recover such losses or damages incurred by the Municipality. Therefore, an employee or councillor, who has due to deliberate or negligent unlawful actions, shall be held liable for such financial loss. This recovery should be initiated only after due process has been followed and a final outcome has been concluded.

i. In pursuance of paragraph “g” of this policy, the Municipal Manager may utilize the amendments to the Pension Funds Act only when a prima facie case has been established, written reasons have

been provided, and the affected Employee or Councillor has been afforded the right to representation and to make submissions before any request to freeze pension benefits is made. Due process regarding the opening of a criminal docket with the South African Policy Service and disciplinary proceedings should be followed at all times.

j. If the employee or councillor is convicted, any losses caused by the employee or councillor shall be deducted from the benefits due to the employee or councillor concerned or shall be recovered from the assets owned by the person concerned.

k. Council, must take all reasonable steps to ensure that cases that are referred to in paragraph "i" are reported to the SAPS if –
   - ✓ the charge is against the Municipal Manager
   - ✓ the Municipal Manager fails to comply with that section.

l. Consistent with section 171(4) of the MFMA, the Municipality shall institute an investigation regarding allegations of financial misconduct against the Municipal Manager, the CFO, any senior manager or other official of the Municipality, unless those allegations are frivolous, vexatious, speculative or obviously unfounded; and

m. If the investigation warrants such a step, Council shall institute disciplinary proceedings against the Municipal Manager, the Chief Financial Officer or any other senior manager in accordance with the Disciplinary Code and Procedures for Senior Managers (Notice 1568 of 2009) and Local Government: Municipal Finance Management Act, 2003 (Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, Notice 37699 of 2014).

n. The Municipality shall also investigate allegations of financial misconduct involving any councillors; such allegations shall be dealt with in terms of the breaches of the Code of Conduct for Councillors as stipulated in Schedule 1 of the Systems Act; and Schedule 7 of the Structures Act and the Municipality's Rules of Order for Councillors.

o. The Municipality will respond to all concerns and allegations. The investigation of concerns and allegations are not the same as either accepting or rejecting them. Subject to confidentiality and legal limitations, the Municipality will provide written feedback to the identified affected employee or whistleblower.

p. In order to protect individuals and those accused of misdeeds or possible malpractices, initial enquiries will be made to decide whether an investigation is appropriate and, if so, what form it should take.

q. Some concerns may be resolved by agreed action without the need for investigation. If urgent action is required, then this will be taken before any investigation is conducted.

r. Concerns may be raised verbally or in writing. Those who wish to make a written report are invited to use the following format:
   - ✓ the background and history of the complaint (giving relevant dates);
   - ✓ the reason why they are particularly concerned about the situation;
   - ✓ the extent to which they have personally witnessed or experienced the problem (provide documented evidence where possible);
   - ✓ Anonymous complaints shall undergo a preliminary credibility and risk assessment and shall not, on their own, constitute grounds for disciplinary action.

s. The earlier they express the concern the easier it is to take action. Although employees are not expected to prove beyond doubt the truth of an allegation, they will need to demonstrate to the person contacted that there are reasonable grounds for their complaint.

t. Employees may wish to consider discussing their complaint with a colleague first and they may find it easier to raise the matter if there are two (or more) of them who have had the same experience or concerns. They may invite their trade union representative or a friend to be present during any meetings or interviews in connection with the concerns they have raised.

u. Should members of the public, employees and councilors wish to report allegations, they can contact the Municipal Manager, Executive Directors or Manager responsible.

   Contact details:
   - ✓ A Toll free Hotline number should be established and operated in terms of the of the Safeline-EX Standard as issued by the Ethics Institute of South Africa (Ethics SA) in accordance with the best practice standard for safe reporting service providers. (This process guarantees a person to remain anonymous) or
   - ✓ **Tel**: +27 21 888 5100

v. Members of the public, employees and councillors can also contact the national public service hotline number at 0800 701 701.

w. Any person who holds a position of authority and who knows or ought reasonably to have known or suspected that any other person has committed an offence under Part 1, 2, 3 or 4, or section 20 or 21 (in so far as it relates to the aforementioned offences) of Chapter 2 of the Prevention and Combating of Corrupt Activities Act, Act 12 of 2004; or the offence of theft, fraud, extortion, forgery or uttering a forged document, involving an amount of R100 000 or more, must report such knowledge or suspicion or cause such knowledge or suspicion to be reported to the police official in the Directorate for Priority Crime Investigation referred to in section 17C of the South African Police Service Act, Act 68 of 1995.

5. PROTECTION OF WHISTLE BLOWERS

The Cape Winelands District Municipality is committed to good practices and high standards, as well as to supporting its employees and members of the public. We recognize that it can be difficult to decide whether or not to report a complaint.

This policy contains several measures:

i. Any harassment or victimization (informal or formal) will not be tolerated by the Municipality and it will take appropriate action to protect anyone who raises a concern in good faith.
ii. Investigations into allegations of malpractice will not be influenced or influenced by any disciplinary or redundancy processes already in place.
iii. In the event that someone raises a concern and does not wish for their name to be disclosed, the Municipality will do its best to keep their identities confidential. It must, however, realize that the investigation process may reveal the source of information, so a statement may be required.
iv. Complaints / Allegations can be made anonymously; however, it should be noted that the investigation of such cases can be more challenging.
v. If whistleblowers make good faith allegations, no action will be taken against them.
vi. The Protected Disclosures Act and its amendments were promulgated to facilitate reporting by employees (whistle blowers) of fraud, corruption or other unlawful or irregular actions by their employer(s) or co-employees without fear of discrimination or reprisal by their employers or co-employees.
vii. The Municipality recognizes that employees or councillors will be concerned about potential victimization, recrimination and even threats to their personal safety. If this is a consequence of disclosing fraudulent and/or corrupt activities. The Municipality shall provide measures to protect the information and identity of the person when such protection is required.
viii. Whistleblowers may face disciplinary action and/or police investigation if they make malicious or false allegations.

6. Awareness and Development

Continuous education and awareness through formal and informal training to all Councillors and Municipal staff members is needed to ensure continuous improvement in knowledge, skills and capabilities which facilitate consistent conformance to Whistle Blowing.

7. Review and Approval of the Policy

The Fraud and Risk Management Committee (FARMCO), should review this policy annually, and determine its adequacy and effectiveness for current circumstances and recommend to Council for approval.