



FETAKGOMO – GREATER TUBATSE
LOCAL MUNICIPALITY



The GTM
**GREATER TUBATSE
MUNICIPALITY**

South Africa's first democratic platinum city

FRAUD RISK MANAGEMENT POLICY



Fraud Hotline: 0800 21 26 70

HEAD OFFICE

Ikastantla street | P.O Box 206, Burgersford, 1150
Tel: +27 13 231 1000 | Fax: +27 13 231 7467

REGIONAL OFFICE

Stand No. 1, Mashung, Ga-Nlwana | P.O Box 818, Apel, 0739
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FRAUD RISK MANAGEMENT POLICY STATEMENT

The Accounting Officer/ Municipal Manager has committed Fetakgomo- Greater Tubatse Local Municipality to a process of fraud risk management that is aligned to the principles of the **Municipal Finance Management Act (MFMA), Act no 56 of 2003**.

As instances of fraud remain a constant threat to public trust and confidence, it becomes essential to recognise fraud risk management as an integral part of strategic management and the Institution is therefore adopting a comprehensive approach to the management of fraud risks.

Management's agenda is to focus on efforts to:

- Understand the fraud risks that can undermine the institution's business objectives;
- Determine whether fraud prevention programmes and controls are actually effective in reducing instances of fraud;
- Gain insight into better ways of designing and evaluating controls to prevent, detect and respond appropriately to fraud;
- Reduce exposure to liability, sanctions and litigation that may arise from violations of law or stakeholder expectations;
- Derive practical value from the development of a sustainable process of managing fraud risk and improving performance; and
- Achieve the highest levels of business integrity through sound corporate governance, internal control and transparency.

The features of this process are outlined in the Institution's Fraud Risk Management Strategy. It is expected that all personnel will adhere to the fraud risk management strategy.

It is the intention that individual personnel, as well as business units will work together in a consistent and integrated manner, with the overall objective of reducing fraud risk.

Effective fraud risk management is imperative to the Institution to fulfil its mandate, the service delivery expectations of the public and the performance expectations within the Institution.

The realisation of our strategic plan depends on us being able to take calculated business risks in a way that does not jeopardise the interests of stakeholders.

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We subscribe to the fundamental principles that all resources will be applied economically to ensure:

- The highest standards of service delivery;
- A management system containing the appropriate elements aimed at minimising fraud risks and related costs in the interest of all stakeholders;
- Maintaining an environment, that promotes the right attitude and sensitivity towards internal and external stakeholder satisfaction.

Fraud undermines the abovementioned principles.

An entity-wide approach to fraud risk management will be adopted by the Institution, which means that every key fraud risk in each part of the Institution will be included in a structured and systematic process of fraud risk management. It is expected that the fraud risk management processes will become embedded in the Institution's systems and processes, ensuring that our responses to fraud risk remain current and dynamic. All fraud risk management efforts will be focused on supporting the Institution's objectives. Equally, they must ensure compliance with relevant legislation, and fulfil the expectations of employees, communities and other stakeholders in terms of corporate governance.

Every employee has a part to play in this important endeavour and we look forward to working with you in achieving these aims.

Signed:



Accounting Authority / Officer:

Busaque NP

Date:

03/11/2017

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LC (FGTM) RESOLUTIONS		FILE NO. S															
TOWN	MEET NR	O C M	0	1	2017	TAKEN ON	2	6	1	0	2	0	1	7	ITEM	OC42	2017
JOB DISPOSAL	FOR INFORMATION																
	MUNICIPAL MANAGER																
	DIRECTOR : BUDGET & TREASURY																
	DIRECTOR : CORPORATE SERVICES																
	DIRECTOR : COMMUNITY SERVICES																
	DIRECTOR : INFRASTRUCTURE, DEVELOPMENT & TECHNICAL SERVICES																
	DIRECTOR : DEVELOPMENT & PLANNING																
	DIRECTOR : LAND ECONOMIC DEVELOPMENT & TOURISM																
SUBJECT																	
NR : OC42/2017	RESOLUTION Reviewed Risk Management Policies, Strategies and Plans																

Resolved

1. that Council approved the reviewed Risk Management Policies, Strategies and Plans :
 - a) Risk Management Policy ✓
 - b) Risk Management Strategy ✓
 - c) Fraud Risk Management Policy ✓
 - d) Risk Management Charter Policy ✓
 - e) Security Policy ✓
 - f) Anti-Fraud and Corruption Prevention Policy ✓

Date : 31/10/2017 Chairperson of the Municipal Council