



human settlements

Department:
Human Settlements
REPUBLIC OF SOUTH AFRICA

WHISTLE-BLOWING POLICY

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POLICY OWNER(S) & IMPLEMENTOR(S)	
National Department of Human Settlements Internal <ul style="list-style-type: none">• DG• DDG'S• CD: IA, RM & SI; LEGAL & CORPORATE SERVICES• Director: Investigations• Director: Security Services• Director: Internal Audit• Director: Risk Management• Director: Legal Services External <ul style="list-style-type: none">• Law Enforcement (SAPS and SIU)• NPA (National Prosecuting Authority)• Judiciary	2010/11

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1. INTRODUCTION

The National Department of Human Settlements acknowledges that employees are often the first to realise that a crime or malpractice could have been committed within the National Department of Human Settlements operational environment. However, they may not express their concerns for fear of being disloyal to their colleagues or because they fear harassment or victimization from management. In such circumstances, it is normally easier for such employee(s) to ignore the concern than to report what may be a suspicion of criminal activity or malpractice.

The National Department of Human Settlements hereby encourages its employees to report potential criminal and or unethical behavior through the following *toll free hotline number 080*

Every employer and employee has a responsibility to disclose criminal and or irregular conduct in the workplace that they may become aware of. The National Department of Human Settlements will ensure that the identity of all confidential disclosure is maintained which includes the protection of employees from any form reprisal as a result of such disclosure.

The National Department of Human Settlements is committed to establishing a culture of *accountability* and *transparency* purposed at achieving the highest ethical behavior amongst employees in line with the Fraud Policy statement (signed by the Director General).

2. PURPOSE AND SCOPE OF THIS POLICY

This policy applies to:-

- Past, present and future potential criminal activity and malpractice,
- Confidentiality clauses in Employees' contract and severance agreements are ineffective if in conflict with the Protected Disclosure Act

Failure to disclose criminal or irregular conduct could-

- Result in disciplinary action being taken against such employee(s)
- Could result in criminal action been taken against an employee in terms of the Prevention and Combating of Corrupt Activities Act.7 of 204

Baseless reporting-

- Unfounded and or malicious accusations could result in disciplinary action been instituted against the such an employee

3. LEGISLATIVE FRAMEWORK

3.1 WHAT IS A PROTECTED DISCLOSURE

Protected Disclosures

Section 1 of the Act defines disclosure as -

"disclosure" means any disclosure of information regarding any conduct of an employer, or an employee of that employer, made by any employee who has reason to believe that the information concerned shows or tends to show one or more of the following -

- That a criminal offence has been committed, is being committed or is likely to be committed
- That a person has failed, is failing or is likely to fail to comply with any legal obligation to which that person is subject
- That a miscarriage of justice has occurred or is likely to be endangered
- That the environment has been or is likely to be damaged
- That the health or safety of an individual's has been, is being or is likely to occur
- Unfair discrimination as contemplated in the Promotion of Equality and Prevention of Unfair Discrimination Act, 2000 (Act No.4 of 2000)
- That any matter referred to in the above paragraphs has been, is being or is likely to be deliberately concealed

3.2 HOW CAN A PROTECTED DISCLOSURE BE MADE

An employee of the National Department of Human Settlements should make a protected disclosure to the Toll free hotline.

A protected disclosure can be made in anonymity.

An employee can also make a disclosure without hiding his/her identity.

A protected disclosure can be made prior or after an incident takes place.

3.3 WHO CAN MAKE A PROTECTED DISCLOSURE

Any employee or person employed by National Department of Human Settlements on permanent, temporary, (fixed contract) on the following levels could make a protected disclosure –

- Employee (Any member of staff)
- Supervisor
- Management (All levels of management)

3.4 WHERE CAN YOU MAKE A PROTECTED DISCLOSURES

A protected disclosure can be made through the following:

National Toll Free Line: **0800 701 701**

The following are methods through which a protected disclosure can be made -

- Departmental Anti-Corruption Hotline 0800
- Email facilities (still to be provided)
- Fax line (012) 421 1425
- Walk into the office to make disclosure

4. GUIDELINES TO BE FOLLOWED WHEN MAKING A PROTECTED DISCLOSURE AND/OR TO BLOW A WHISTLE

- Report the incident or allegation through the methods outlined above.
- Obtain a reference number from the Hotline or where such disclosure is made
- Obtain feedback within seven days of the incident been reported
- Provide further information regarding the incident / allegation
- Matters outside the scope of fraud and corruption will be referred to the relevant offices.

5. APPLICATION OF THE PROTECTED DISCLOSURES

This Act applies to any protected disclosure made after the date on which this Act came into effect (being 16 February 2001) irrespective of whether or not the impropriety concerned has occurred before or after the date.

The National Department of Human Settlements commits itself to encouraging a culture that promotes openness. This will be done through the following:

- Involving employees, listening to their concerns and encouraging the appropriate use of this policy/process on disclosure promoted by the Senior Management.
- Issuing this policy to all existing employees and a copy to every new employee of the department.
- Educating/training/informing/explaining to all employees what constitutes fraud, corruption and malpractice and its effect on the Department;
- Promoting awareness of standards of appropriate and accepted employee conduct and establishing a common understanding of what is acceptable and what is unacceptable behavior;
- Promote a policy to combat fraud and corruption;
- Annual reporting to the staff on the number of fraud and corruption related cases and outcomes.

6. EXCLUSIONS FROM THE PROTECTED DISCLOSURES

Any provision in a contract of employment or other agreement between an employer and an employee is void in so far as it -

- Purports to exclude any provision of the Act, including an agreement to refrain from instituting or continuing any proceeding under this Act or any proceeding for breach of contract
- Purports to preclude the employee
- Has the effect of discouraging the employee, from making a protected disclosure

7. WHAT ARE THE REQUIREMENTS FOR A PROTECTED DISCLOSURE?

The National Department of Human settlements will ensure that any member of staff who makes a disclosure in the above mentioned circumstances will not be penalized or suffer any occupational detriment as a result of such disclosure.

Occupational detriment as defined in the Act includes but not is not limited to dismissal, suspension, demotion, transfer against ones will, harassment or intimidation as a result of one's disclosure.

An employee making a protected disclosure must ensure that he/she is:

- Acting in good faith
- Reasonable believe that the allegations are substantially true
- Complying with appropriate channels and procedures of this policy
- No malicious reporting (false reporting)

8. WHAT IS A GENERAL EXTERNAL PROTECTED DISCLOSURE

General protected disclosure is a much wider disclosure when a Whistle Blower is not making an internal disclosure, but rather making a wider disclosure to the law enforcement agencies which include SAPS and SIU. When a whistle blower is experiencing victimization of any kind, the matter will be referred to the relevant law enforcement agency.

9. HOW TO MAKE AN EXTERNAL PROTECTED DISCLOSURE

General external protected disclosure can be made when:-

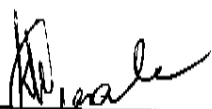
- The disclosures was made to the hotline but was not properly addressed or
- The disclosure was not made to the hotline because the whistle-blower reasonably believed he / she would be victimize
- The disclosure was not made to the hotline because the whistle-blower reasonably believed that a cover up was likely
- The disclosure was exceptionally serious
- Providing the disclosure was made in good faith
- The disclosure was not made for personal gain and the allegations are substantial true.

RESPONSIBILITIES


Responsibility	DG
Implementation	Director: Special Investigations
Compliance	EMT
Monitoring and evaluation	Chief Director: Internal Audit, Risk Management and Special Investigations
Development and / or review	Director: Special Investigations
Interpretation and advice	Risk Management Committee & Audit Committee

POLICY APPROVAL

Policy no	1
Approved / not approved	
Date approved	
Director General	Thabane Zulu
Signature	


KHUMOETSILE GAESALE
CHIEF DIRECTOR: INTERNAL AUDIT,
RISK MANAGEMENT AND SPECIAL INVESTIGATIONS
DATE: 14/03/11

APPROVED BY:


THABANE ZULU
DIRECTOR- GENERAL:
NATIONAL DEPARTMENT OF HUMAN SETTLEMENTS
DATE: 15/03/2011



human settlements

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REPUBLIC OF SOUTH AFRICA

FRAUD PREVENTION PLAN

Objective: The framework provided on the following pages is intended to support improved service delivery by highlighting and combating fraud and corruption within the Department. This objective will be achieved by:

- (a) identifying and addressing areas of potential risk
- (b) detecting the existence of fraudulent activities
- (c) increasing levels of awareness about fraud
- (d) establishing effective anti-fraud practices

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Fraud Prevention Plan

Note: The person responsible for conducting the audit should record their findings in the Outcome column, and sign the last page on completion of the audit.

Strategy	Indicator	Intervention	Outcome
Employee reconciliation	Staff count	<u>Checklist</u> <ul style="list-style-type: none"> ○ Number of employees according to HR records ○ Number of employees based on head count <u>Action</u> <p><i>Where employee numbers according to HR differ from actual employee numbers within the department, individual employee names and numbers need to be reconciled and the difference accounted for.</i></p>	# of employees
Background checks	Reference checking	<u>Checklist</u> <ul style="list-style-type: none"> ○ Employee references checked prior to commencing employment ○ Employee references checked after commencing employment ○ Employee references not checked <u>Action</u> <p><i>Where reference checks have not been done by HR, the forensic unit needs to conduct reference checks on those employees:</i></p> <ul style="list-style-type: none"> ○ Conduct a minimum of 3 reference checks using referees provided by the employee ○ Solicit references from the HR department of the previous employer ○ Compare the results of the reference checks with information provided on the employee's job application ○ Consult with labour relations in cases of discrepancies <p><u>Useful sources of information:</u> DPSA performs reference checks</p>	# of employees

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Background checks (cont)	Criminal records	<p><u>Checklist</u></p> <ul style="list-style-type: none"> ○ Employee(s) criminal status confirmed prior to commencing employment ○ Employee(s) criminal status confirmed after commencing employment ○ Employee(s) criminal status not confirmed <p><i>Where criminal status has not been confirmed by HR, the forensic unit needs to verify the criminal status of the employee(s):</i></p>	# of employees
		<ul style="list-style-type: none"> ○ Compare the information on the application form of the employee with information held by the criminal records centre ○ In cases of discrepancies consult with the labour relations department <p><u>Useful sources of information:</u> SAPS</p>	
	Civil records	<p><u>Checklist</u></p> <ul style="list-style-type: none"> ○ Employee(s) credit status confirmed prior to commencing employment ○ Employee(s) credit status confirmed after commencing employment ○ Employee(s) credit status not confirmed <p><u>Action</u></p> <p><i>Where credit status has not been confirmed by HR, the forensic unit needs to verify the credit status of the employee(s):</i></p> <ul style="list-style-type: none"> ○ Compare the information on the application form of the employee with information held by the credit bureau centre ○ In cases of discrepancies consult with the labour relations department ○ Credit information can be verified through 5 different credit bureau systems <p><u>Useful sources of information:</u> Trans Union, ITC, EXPERIAN</p>	# of employees

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Background checks (cont)	Disciplinary records	<u>Checklist</u> <ul style="list-style-type: none"> Employee(s) disciplinary records confirmed prior to commencing employment Employee(s) disciplinary records confirmed after commencing employment Employee(s) disciplinary records not confirmed <u>Action</u> <p>Where disciplinary records have not been confirmed by HR, the forensic unit needs to verify the disciplinary records of the employee(s):</p> <ul style="list-style-type: none"> Compare the information on the application form of the employee with the information held by the DPSA Solicit references from the HR department of the previous employer (if not already done under reference checking) In cases of discrepancies consult with the labour relations department <p><u>Useful sources of information:</u> DPSA</p>	# of employees
	Employee Business interests	<u>Checklist</u> <ul style="list-style-type: none"> Employee business and other interests disclosed prior to employment Employee business and other interest s disclosed during employment Employee business and other interests not disclosed <u>Action</u> <p>Where business and other interests have been disclosed, the forensic unit needs to verify whether it is partial or full disclosure:</p> <ul style="list-style-type: none"> Special provision is made for the verification of business interests of senior management Business interests of all other employees can be verified without such provision <p><u>Useful sources of information:</u> CIPRO, Credit Bureau Systems</p>	# of employees

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Background checks (cont)	Qualifications	<p><u>Checklist</u></p> <ul style="list-style-type: none"> ○ Employee(s) qualifications confirmed prior to employment ○ Employee(s) qualifications confirmed during employment ○ Employee(s) qualifications not confirmed <p><u>Action</u></p> <p><i>Where qualifications have not been confirmed by HR, the forensic unit needs to verify the qualifications of the employee(s):</i></p>	# of employees
		<ul style="list-style-type: none"> ○ Compare the information on the application form of the employee with the information held by Umalusi and the respective tertiary institutions ○ In cases of discrepancies consult with the labour relations department ○ Extra verification is needed for foreign qualifications (for both previous and current employees) <p><u>Useful sources of information:</u> Umalusi, Tertiary institutions</p>	
	Validity of curriculum vitae	<p><u>Checklist</u></p> <ul style="list-style-type: none"> ○ Employee(s) curriculum vitae confirmed prior to employment ○ Employee(s) curriculum vitae confirmed during employment ○ Employee(s) curriculum vitae not confirmed <p><u>Action</u></p> <p><i>Where curriculum vitae have not been confirmed by HR, the forensic unit needs to verify the curriculum vitae of the employee(s):</i></p> <ul style="list-style-type: none"> ○ Verify the employers, employment dates, and job descriptions given on the curriculum vitae of the employee ○ In cases of discrepancies consult with the labour relations department 	# of employees

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Blacklisting	NDHS Database	<p><u>Checklist</u></p> <ul style="list-style-type: none"> ○ Department has a blacklisting database for employees and suppliers ○ Department has a blacklisting database for employees who defraud NDHS ○ Department keeps no blacklisting records <p><u>Action</u></p> <p><i>Where blacklisting records have not been kept, the forensic unit needs to ascertain the blacklist status of employees and/or suppliers:</i></p> <ul style="list-style-type: none"> ○ Information on fraud committed by suppliers can be obtained from the SIU ○ Information on fraud committed by employees can be obtained from current HR records and the SIU ○ The black list on employees and suppliers should be consulted by HR and Procurement before appointing or awarding a contract <p><u>Useful sources of information:</u> SIU, current HR Records, SAPS</p>	Status
	Provincial Database	<p><i>A blacklist is provided for by the National / Provincial Treasury but not utilised</i></p> <ul style="list-style-type: none"> ○ Names contained on the blacklisting database of the NDHS should be registered on the database of the National / Provincial Treasury department ○ The NDHS should consult the blacklisting database of National / ○ Provincial Treasury in conjunction with information registered on the database of the NDHS before appointing an employee or awarding a contract to a supplier 	Compliance

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	National Database	<p><i>A blacklist is provided for by the national departments of treasury but not utilised</i></p> <ul style="list-style-type: none">○ Names contained on the blacklisting database of the NDHS should be registered on the database of the national treasury department○ The NDHS should consult the blacklisting database of national treasury in conjunction with information registered on the database of the NDHS before appointing an employee or awarding a contract to a supplier	Compliance

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Anti-Fraud Training	General anti-fraud training	<p><i>Annual training must be provided on general anti-fraud measures to minimise fraud and corruption</i></p> <ul style="list-style-type: none"> ○ General anti-fraud training should be used to increase awareness of fraud and the reporting thereof ○ The training should be directed towards general staff and management ○ The training should focus on highlighting the risk of fraud and corruption within the NHS ○ The purpose of the training should be to enable employees to recognise fraud at the early stages and to prevent the increase or spread of fraud 	Compliance
	Specific anti-fraud training	<p><i>Specific training interventions should be provided to individual departments</i></p> <ul style="list-style-type: none"> ○ Specialised anti-fraud training should be used for individual high risk areas ○ For example, staff in procurement departments should receive different anti-fraud training from that given to staff in the HR department 	Compliance
Surprise Audits / Surprise Forensic Reviews	Prevention and detection	<p><i>Should be executed weekly and planned well in advance</i></p> <ul style="list-style-type: none"> ○ Provides a pro-active means of uncovering fraud ○ Acts as a deterrent to potential fraudsters ○ Reduces reliance on reactive measures, which frees staff to conduct new full investigations <p><u>Action</u></p> <ul style="list-style-type: none"> ○ Departments that are perceived as high risk (such as procurement and HR) should be subjected to surprise audits to maintain a fraud-free environment ○ A surprise preventative audit can include submitting a database containing employee names to CIPRO to detect undisclosed interests ○ The database containing the names of suppliers can be submitted to SARS to check basic compliance to legal requirements (e.g. tax clearance certificates) 	Compliance

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Name and Shame campaign	Public awareness	Should be executed bi-annually	Compliance
		<ul style="list-style-type: none"> Will provide feedback to stakeholders and the community about successes achieved through fraud prevention initiatives Will alert employees to the dangers of fraud Will shame employees who have been caught and disciplined (but without disclosing identities) Should include information regarding policy successes and updates Can promote the role of the fraud hotline in contributing to successful investigations Can be distributed by means of newsletters, pop ups, email notifications 	

Awaiting follow-up	Notes	Date
Employee reconciliation		
Background checks		
Blacklisting		
Anti-fraud training		
Surprise audits / reviews		
Name & shame campaign		

Date:
Department:

Fraud Prevention Plan

RESPONSIBILITIES

Responsibility	Director General
Implementation	Director: Special Investigations
Compliance	EMT
Monitoring and Evaluation	Chief Director: Internal Audit, Risk Management and Special Investigations
Development and/ or review	Director: Special Investigations
Interpretation and advice	Risk Management Committee & Audit Committee

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Signature	

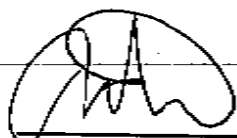


KHUTISOETSILE GAESALE
CHIEF DIRECTOR: INTERNAL AUDIT,
RISK MANAGEMENT AND SPECIAL INVESTIGATIONS
DATE: 14/08/11

Date:
Department:

Fraud Prevention Plan

Approved By:

A handwritten signature in black ink, appearing to be 'Thabane Zulu', written over a horizontal line.

THABANE ZULU
DIRECTOR GENERAL:
NATIONAL DEPARTMENT OF HUMAN SETTLEMENT
DATE: 15/03/2011