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JOHANNESBURG ROADS AGENCY
(SOC) LTD

REG NO: 2000/028993/07

CODE OF ETHICAL CONDUCT

Document Control

Document Control		
Policy Name	Code of Ethical Conduct	
Owner	Ethics Officer	
Version	1 – 13 October 2014	
APPROVAL OF THE POLICY		
EMT Committee Date	2014	
Managing Director		Date:- 31/10/2014
Board of Directors Resolution Date	13/10/2014	
Chairperson of Board / CoSec	 on behalf of Board	Date:- 6/11/2014
Effective Date	13/10/2014	
Audit / review date	October 2016	
Policy Number	002	
Applicable to	All staff	
Related Documents		

A. DEFINITIONS

1. For the purpose of this item “privileged or confidential information” includes any information:
 - Determined by the municipal council or any structure or functionary of the municipality to be privileged or confidential;
 - Discussed in closed session by the council or a committee of the council;
 - Disclosure of which would violate a person’s right to privacy; or
 - Declared to be privileged, confidential or secret In terms of any law.
2. A related party shall have the meaning as set out in the Companies Act 71 of 2008 which prescribes that an individual is related to another individual if they:
 - Are married, or live together in a relationship similar to a marriage; or
 - Are separated by no more than two degrees of natural or adopted consanguinity or affinity;
3. Applicable legislation shall include, but not be limited to:
 - Municipal Finance Management Act No 56 of 2003
 - Municipal Structures Act No 117 of 1918
 - Municipal Systems Act No 32 of 2000
 - Organised Local Government Act No 52 of 1997
 - The Constitution of the Republic of South Africa
 - Intergovernmental Fiscal Relations Act No 97 of 1997
 - Public Office-Bearers Act No 20 of 1998
 - Municipal Demarcation Act No 27 of 1998
 - Public Finance Management Act No 1 of 1999 and associated Treasury Regulations

B. PURPOSE

The purpose of this Code is to provide a framework which seeks to broadly define the standards of ethical conduct by which all JRA employees will be bound. The Code seeks to provide principles for behaviour but also sets out specific prohibited actions within the scope of the legislation, as defined.

At the JRA we are committed to providing a service built on a solid foundation of professional and ethical behaviour.

We will strive to be a reliable and trustworthy company where our business relationships reflect our personal integrity, respect for human dignity and the rights of others, honesty and a commitment to do what is right, fair, reasonable, lawful and just.

We recognise our obligations as a public entity and the need to provide guidelines to employees with regard to their relationship with the legislature, political and executive office-bearers, other employees and the public. To this end we wish to ensure public confidence in the entity and to indicate the spirit in which employees

should perform their duties, and what is expected of them in terms of their personal conduct in both their public and private life.

C. SCOPE

This code is binding on all directors (including members of the Board Sub-Committees), managers, employees, independent contractors, agents, service providers and business partners irrespective of their status as natural person, legal person or other entity.

Every employee of the JRA will be required to sign an acknowledgement of the Code, will be deemed to accept same and comply therewith, upon receipt thereof.

D. JRA VISION, MISSION AND VALUES

Our Vision - "To be the best city roads authority that enables economic growth and sustainability"

Our Mission - "We commit to provide quality roads that are accessible, safe and liveable for our communities"

Our Values

At the JRA we are conscious of our obligations as a public service entity. To this end we subscribe to the following values:

- Respect - Caring for the customer, prioritising communities, ensuring equity.
- Accountability – The man in the mirror, responsible actions.
- Ubuntu – Compassion for communities and road users, empathy, humility
- Cooperation - Working together, integration, collaboration and pooling resources.
- Honesty – Ethics, transparency, doing the right thing.

E. COMMUNICATION OF THE CODE OF ETHICS

To ensure that all JRA employees (including management) are aware of the existence of the Code and are conversant with its contents, the following steps will be taken:

1. The contents of the Code shall be communicated to all new employees at the time of their commencement of employment (induction);
2. The contents of the Code shall be communicated to all existing employees through attendance at mandatory presentations;
3. The Code will be available on the JRA Intranet (SharePoint) and the names and contact numbers of the Management Ethics Committee members will also be listed on the Intranet site.
4. All employees will be required to sign an acknowledgement of the receipt of a copy of the Code as well as an undertaking of compliance therewith. (Sample attached).

F. ENFORCEMENT, MONITORING and SANCTIONS FOR NON-COMPLIANCE

1. Any person to whom this Code is applicable shall have a duty to report any violation thereof. We shall provide protection for any person who reports violations of the Code. This means that:

- We will not tolerate any form of victimisation or retribution against those who attempt to uphold this code;
- Any contravention of this code will be regarded as a serious matter and appropriate disciplinary action will follow after due consideration in respect of any breach.

2. Sanction, Monitoring and Enforcement

- Violations of the Code may result in disciplinary actions, termination of employment and criminal or civil proceedings;
- Non-compliance by Non-Executive Directors and members of the Board's Sub-committees will be referred to the Chairperson of the JRA Board, who will deal with such non-compliance which could result in them being removed from the Board and or the Sub-committees in which they serve;
- The JRA may institute criminal and / or civil proceedings (where appropriate) against anyone transgressing the Code.

At the JRA we will:

- not tolerate any contravention or violation of the Code of Ethical Conduct;
- designate a Management Ethics Committee to manage, monitor and report on the Group's ethical conduct;
- designate senior officials to monitor compliance;
- provide safe mechanisms for reporting breaches of this Code;
- appoint a Compliance Officer who shall be the Company Secretary. The Compliance Officer shall:
 - be responsible for ensuring that all parties to whom the Code applies sign an "Acknowledgement of Receipt and an undertaking to comply with JRA Code of Ethics" agreement;
 - take appropriate action in the event of non-compliance by any JRA employee, with the Code;
 - investigate any alleged breach of this Code; and
 - take appropriate action to remedy the breach.

3. Where to Obtain Guidance

Every employee has the right and responsibility to ask questions, seek guidance and express concerns regarding compliance with this code or the related implementation instructions of the guidelines.

There are detailed JRA policies regarding the various issues and principles supporting the Code which are available on the intranet. These will provide further guidance to employees.

If you need guidance on any ethical issue that concerns you, you can contact the following sources for assistance:

- Your own supervisor or manager.
- The HR manager or compliance officer.
- The Management Ethics Committee.
- The JRA Fraud and Ethics Hotline at contact no. 0800 002 587 or – operated by an independent third party and guaranteeing anonymity. You can also send an e-mail to anticorruption@tip-offs.com if you are unable to call the hotline or make a report online at <http://www.tip-offs.com>
- The JRA Social and Ethics Committee (Sub-Committee of the Board).

Your request for help will be treated as strictly confidential.

G. OUTLINE OF THE PRACTICE STANDARDS OF THE CODE

1. Our conduct shall at all times conform to the JRA Core Values.

This means that we will:

- a. Act honestly and fairly with due skill, care and diligence in the interests of all the people of Johannesburg;
- b. Act in the best interest of the municipality and in such a way that the credibility and integrity of the municipality are not compromised
- c. Promote a corporate culture which is ethical and fair in all our business dealings and which is socially and environmentally responsible;
- d. Avoid any act that reflects adversely on our transparency, honesty, trustworthiness or professional competence;
- e. Accept accountability for all our actions and decisions;
- f. Refrain from any behaviour that can be classified as unlawful discrimination or harassment and have respect for the human rights and dignity of all people, including all fellow employees, accepting diverse cultures, religions, race, gender and sexual orientation
- g. Address all actual or apparent conflicts of interests between personal and professional relationships in an ethical manner;
- h. Not tolerate any form of unlawful or criminal conduct including, but not limited to, bribery and corruption; and
- i. Adhere to sound standards of corporate governance and applicable laws.

2. Commitment to serving the public interest

A staff member of a municipality is a public servant in a system, and must accordingly:

- a. Acknowledge that local public administration is governed by the democratic values and principles embodied in the Constitution and thus strive to achieve the objectives of the Constitution and execute the lawful policies of the municipal council;
- b. Foster a culture of commitment to serving the public and a collective sense of responsibility for performance in terms of the Customer Service Charter;
- c. Participate in the overall performance management system for the municipality as well as the staff member's individual performance appraisal and reward system in order to maximise the ability of the municipality as a whole to achieve its objectives and improve the quality of life of its residents;

- d. Refrain from using, taking, acquiring, or benefiting from any property or asset owned, controlled or managed by the municipality to which a staff member has no right; and
- e. Refrain from participation in an election of the council of the municipality, other than in an official capacity or pursuant to any constitutional right.

3. Political and Religious Activity

- a. The JRA is aware of its position as a public entity and in this regard acknowledges the democratic values and principles embodied in the Constitution.
- b. The JRA is also bound by the approved objectives and priorities of Government and the Municipality, with the Council of the City of Johannesburg being the product of a democratic system. It is the obligation of JRA staff to loyally executes the policies of the Government of the day in the performance of his or her employment at the JRA;
- c. The JRA notes that the Constitution of the Republic of South Africa acknowledges the freedom of association and political rights as basic human rights, and agrees with and supports these rights;
- d. JRA employees are free to participate actively in the political and religious arena in line with their own respective personal beliefs, provided it is outside of official working hours and the workplace. No JRA employee shall abuse his or her position in the Public Service to promote or prejudice the interest of any political party or interest group;
- e. The workplace shall not be used to promote any political viewpoint, be that of management or an individual employee on other employees.
- f. The JRA's funds, goods and / or services shall be used to implement decisions of Council but, under no circumstances, may they be used in support of political parties and / or candidates. The JRA's facilities may also not be made available to political parties and or candidates as venues for political meetings or for the distribution of political material.

4. Compliance with Legislation

The JRA is committed to complying with all applicable legislation and regulations and, as such:

- a. We shall comply at all times with all applicable legislation, common law, industry codes and the Municipality's rules, procedures and regulations;
- b. In addition to upholding the letter of all laws and regulations wherever we conduct business, the JRA will also continuously strive to uphold the spirit of such laws and regulations;
- c. We shall not knowingly participate in the violation of any laws, rules or regulations;
- d. Employees must at all times be aware of and comply with all legislation and the JRA's guidelines and policies which may have an effect on the work environment and daily activities;
- e. Any violation of the applicable legislation, guidelines and/ or policies shall not be tolerated by the JRA; neither will any illegal acts such as bribery and corruption be tolerated or condoned. In this regard the JRA has a stated zero tolerance attitude and all illegal acts will be reported to the relevant authorities for criminal investigation and, where necessary, prosecution;

- f. Where prior consent is a requirement for the completion of an action, such consent should be obtained, in writing, by following the prescribed procedures.

5. Transparency and Reporting

The JRA is committed to ensuring that all public communications and any documents the JRA files or submits to any regulatory body, has disclosures which are full, fair, accurate, timely and understandable. Employees responsible for preparing these materials are required to exercise a high level of care and to report to the Compliance Officer if they believe that any disclosure has not been complete or correct.

6. Use of Company Services and Property and Business Transactions

- a. Staff are required to respect the JRA's property and to avoid waste and any unnecessary use of such assets. Assets may be used only for the purposes intended and may not be used for other purposes or to assist third parties;
- b. Company services and property which are not a service benefit may not be used for private purposes without the written approval of the Management Ethics Committee;
- c. Employees, officers and directors owe a duty to the JRA, and the Johannesburg City Council, to advance its legitimate interests when the opportunity arises to do so. Except as otherwise permitted in this Code, employees, officers and directors, may not (a) take for themselves opportunities that are discovered through the use of JRA's property, information or position; (b) use JRA's property, information, or position for personal gain; or (c) compete with the JRA;
- d. Purchase contracts and tender awards must be made within the parameters of JRA Supply Chain Management Policy and any applicable laws;
- e. All approved suppliers must be of good standing and have an opportunity to compete for JRA business;
- f. JRA purchasing power may not be used for personal or any related benefits. It is unethical to seek concessions or benefits from suppliers, customers or vendors for personal benefit;
- g. Confidential information about the JRA may not be revealed to a supplier or potential supplier without the prior authorization of an EMT member, who must, in turn, be accountable to the Managing Director and the Board;
- h. Directors, officers or employees who work in financial divisions whose estates are sequestrated or who are declared insolvent must disclose this fact to the Compliance Officer, at the earliest possible opportunity. Any director, officer or employee who is removed from an office of trust on account of misconduct, or has been or is at any time in the future, convicted of a theft, fraud, forgery or an offence involving dishonesty, must disclose this fact to the Compliance Officer, at the earliest possible opportunity.
- i. Staff must account for all monies, cheques, documents and property of JRA which come into their possession in the course of employment by or position as a staff member, officer or director of the JRA.

7. Rewards Gifts and favours

- a. No person to whom this Code is applicable may request, solicit or accept any reward, gift or favour for:

- Persuading the council of the municipality, or any structure or functionary of the council, with regard to the exercising of any power or the performance of any duty;
 - Making a representation to the council, or any structure or functionary of the council;
 - Disclosing any privileged or confidential information: or
 - Doing or not doing anything within that staff member's powers or duties
- b. Staff are not permitted to give or accept, directly or indirectly, gifts and business courtesies which may be used for obtaining reward or favourable treatment, or that might create the appearance of an impropriety. This ruling extends to related parties, as defined;
 - c. Cash payments, discounts or vouchers, no matter how small, may not be accepted in a personal capacity in any circumstances from current or potential JMA customers, suppliers, vendors or other contractors;
 - d. Novelty or advertising items of a nominal value, which are widely distributed by the donor, are, however, acceptable e.g. calendars, pens, diaries, ties etc;
 - e. Although the JRA recognises that entertainment plays a role in business relationships, staff are urged not to provide or accept entertainment which could appear to influence their integrity in relation to business decisions and relationships;
 - f. The cost of entertainment must be within the limits of good taste and the principles espoused in this Code;
 - g. The payment or reimbursement of travel and/ or living expenses may not be accepted from actual or potential suppliers, customers or vendors without the written authorization of the Management Ethics Committee;
 - h. Acceptance of invitations to events valued at over R500 requires prior written clearance from the Management Ethics Committee. If clearance is not forthcoming, staff are required to decline the invitation politely and explain the JRA's policy in this regard.
 - i. The provisions of this clause are applicable not only to individual staff members but also to related parties, i.e. a staff member's related party, such a spouse or family member, may not accept a gift in the circumstances envisaged above.

8. Conflicts of Interests

- a. Staff are required to avoid situations where personal interests may, or may appear to, conflict with those of the company. These could arise amongst others in the following situations:
 - Where staff , including related parties as defined, have an interest or acquired or stands to acquire any direct benefit from a contract concluded with the JRA either by being a shareholder, member or director, owner or partner;
 - Doing business on behalf of the JRA with a current or potential supplier, customer or competitor of the JRA in which a spouse, partner, business associate or family member has an interest;
 - Accepting preferential discounts from suppliers, customers or other business associates of the JRA;

- Entering into business arrangements with a third party to the detriment of the JRA;
 - Contracting with third parties, such as customers, suppliers, vendors or competitors of JRA in their private capacity or other than as a representative of JRA;
 - Engaging in activities in their private capacity or other than as a representative of JRA which may impact adversely on the ability to fulfil obligations to the JRA whether as an employee, officer or director;
 - When staff, or a family member receives improper personal benefits as a result of their position in the JRA.
- b. A staff member who has such a potential conflict, either personally or through a related party, must disclose in writing full particulars of the benefit to the Management Ethics Committee;
- c. This item does not apply to a benefit which a person, has or acquires in common with all other residents of the municipality and does not apply to immaterial investments in shares held on a registered stock exchange;
- d. A written record of declaration of conflicts of interest will be maintained by the Company Secretary. In addition, staff are required to declare and keep current, through the Company Secretary, the details of all other business interests in the form of a written Declaration of Interests. In the event that such declaration is not made and a conflict is discovered the affected staff member will be deemed to have committed a serious breach of the Code and a disciplinary hearing will be mandatory and may result in immediate dismissal and the institution of criminal and / or civil action.
- e. Staff members may not, without the prior written approval of the Management Ethics Committee.
- hold a position or engage in work, trade or industry external to the JRA, including as a sole proprietor / for own account,
 - Be a party to a contract for:
 - the provision of goods or services to the municipality; or
 - the performance of any work for the municipality otherwise than as a staff member;
 - Obtain a financial interest in any business of the municipality.; or
- f. A staff member of a municipality may not:
- Use the position or privileges of a staff member or confidential information obtained as a staff member for private gain or to improperly benefit another person: or
 - Take a decision on behalf of the municipality concerning a matter in which that staff member or a related party or business associate, has a direct or indirect personal or private business interest;
 - Unduly influence or attempt to influence the council of the municipality or a structure or functionary of the council, or a council or, with a view to obtaining any appointment, promotion, privilege, advantage or benefit or for a family member, friend or associate;
 - Misperceive or attempt to misperceive the council, or a structure or functionary of the council, in its consideration of any matter: or
 - Be involved in a business venture with a councillor without the prior written consent of the council of the municipality.

9. Confidentiality of Information

- a. Staff are expected to treat all information pertaining to JRA which is not in the public domain, in the strictest confidence. This confidentiality continues to bind staff after the termination of services with JRA.
- b. Staff may not disclose or use such information which is not available to the public for any purpose whatsoever, other than the business purpose for which it was disclosed in the fulfilment of duties to JRA.
- c. Subject to the provisions of the Promotion of Access to Information Act 2 of 2000, and/or any other applicable legal requirement, confidential information about employees will not be disclosed to any external party without that employee's consent.
- d. Staff are not permitted to speak, or present on the affairs of, or on matters or subjects relating to JRA without the written consent of a member of the JRA Executive Management Committee unless if required to do so in terms of a regulatory requirement.

10. Healthy and Safe working Environment

- a. We are committed to fostering and maintaining an equitable and sustainable employer-employee relationship, including the provision of a safe, healthy and productive working environment.
- b. The JRA subscribes to the principles espoused in the Constitution and the Labour legislation and complies with all relevant labour laws;
- c. We respect the right of employees to work in an environment that is free from any form of unlawful discrimination or harassment;
- d. We subscribe to the principle of transformation and equal opportunities;
- e. We shall not tolerate the abuse of controlled substances or liquor or being under the influence of liquor or illegal drugs whilst at work;
- f. We shall not tolerate the sale, distribution, possession, or use of illegal drugs or substances in the workplace;
- g. Pollution control and waste management shall be conducted in a safe and responsible manner by the JRA;
- h. We shall maintain a healthy and productive work environment and comply with all applicable health and safety policies. The JRA employees can assist JRA in achieving its commitment in this regard by:
 - Complying with JRA's Health and Safety-Rules and Policies and relevant Regulations,
 - Taking appropriate measures to prevent workplace related injuries and illness; and
 - Co-operating with general public, government and other stakeholders and interested groups and parties to develop regulatory and public policies to protect and promote public health and safety as well as the environment.

11. Performance of Duties and Personal Conduct

- a. Laxity, dishonesty and abuse in relation to required working hours will be viewed in a serious light and could result in disciplinary action. Staff are expected to be punctual in the execution of their duties;
- b. Unauthorised leave and abuse of sick leave may also result in disciplinary action;
- c. Staff shall strive to achieve the objectives of the JRA cost-effectively and in

- the public's interest;
- d. Staff shall execute their duties in a professional and competent manner and shall give honest and impartial advice, based on all available relevant information, to higher authority when asked for assistance of this kind; and
 - e. Staff members shall not conduct themselves in a manner which brings the JRA into disrepute.

12. Payment Errors

- a. Any overpayment or irregular payment of monies to which staff or any third party are not entitled must be reported to a Senior Manager or the Managing Director without delay. In addition:
- b. Payment errors to employees or third parties must be reported without delay to a Senior Manager or the Chief Executive. These payments could be reflected on a payslip, bank record or any other form. Taking advantage of payment errors or not reporting them is regarded as a serious and dismissible offence.

ACKNOWLEDGEMENT OF RECEIPT
AND AN UNDERTAKING TO COMPLY WITH JRA CODE OF ETHICAL CONDUCT

Employee Full Name

Department

Signature

Date