POLICY TITLE	FRAUD PREVENTION POLICY
DATE OF APPROVAL	22 May 2025
REVIEW DATES	21 May 2026

1. INTRODUCTION

The Accounting Authority/Officer has committed the South Coast Tourism and Investment Enterprise to a process of fraud risk management that is aligned to the principles of the Agency.

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.

2. MANAGEMENT'S AGENDA IS TO FOCUS ON THE 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.

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.

3. WE SUBSCRIBE TO THE FUNDAMENTAL PRINCIPLES THAT ALL RESOURCES WILL BE APPLIED ECONOMICALLY TO ENSURE

- A management system containing the appropriate elements aimed at minimising fraud risks and related costs in the interest of all stakeholders;
- Maintaining an environment, which promotes the right attitude and sensitivity towards internal and external stakeholder satisfaction;
- Fraud does not undermine the above-mentioned 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.

4. REPORTING MECHANISMS

The following are the reporting mechanisms within the Agency:

- UGU Anti-Fraud & Corruption Hotline 0801 111 660
  Email: information@whistleblowing.co.za
  Fax: 086 5222 816
  Mail: P. O. Box 51006, Musgrave, 4001

- Agency line 039 682 3881

5. INTERNAL AUDIT

The municipal fraud risk map will guide internal audit effort and activities.

6. AUDIT COMMITTEE

The Audit Committee should review the fraud strategy and plan implemented by the Agency on annual basis. The impact of the strategy and in specific the identified high fraud risk areas (fraud risk map) will be communicated to the Office of the Auditor-General who will then incorporate this information in their audit planning.

7. POLICY REVIEW

This policy will be reviewed as and when the need arises.

8. APPROVAL

NAME	SIGNATURE	DESIGNATION	DATE
Mr. Sandile Dlomo		**CHAIRPERSON: SCTIE**	**21.05.2026**