

# CONFLICT OF INTEREST POLICY

2025/2026



## public works & roads

Department:  
Public Works and Roads  
North West Provincial Government  
**REPUBLIC OF SOUTH AFRICA**

## CONTENTS

1. INTRODUCTION.....	3
2. PURPOSE OF THE POLICY .....	3
3. OBJECTIVES .....	3
4. APPLICABILITY .....	3
5. REGULATORY FRAMEWORK.....	4
6. WHAT ARE CONFLICTS OF INTEREST? .....	4
8. MANAGING CONFLICTS OF INTEREST .....	8
9. RESPONSIBILITIES (DO'S AND DON'TS).....	10
10. COMMUNICATION OF POLICY .....	10
11. REPORTING A VIOLATION OF THIS POLICY .....	11
12. NON-COMPLIANCE .....	11
13. ROLES AND RESPONSIBILITIES .....	12
14. POLICY REVIEW.....	13
15. POLICY MAINTENANCE .....	13



## 1. INTRODUCTION

The Department of Public Works and Roads is steadfast in its commitment to uphold the principles of good governance, which include due diligence, transparency, integrity, objectivity, honesty, and fairness in decision-making. In line with this commitment, Accounting Officers/Heads of Departments (HODs), in accordance with section 7(3)(b) of the Public Service Act, bear the responsibility for the efficient management and administration of their departments, as well as ensuring discipline. This includes guaranteeing that employees' conduct aligns with the core values and principles of public administration and adheres to the standards and norms prescribed by the Act.

In support of these objectives, the Department mandates that all employees disclose their registrable interests in compliance with its **Conflict-of-Interest Policy**.

This Policy should be read in conjunction with the **Public Service Act**, **Public Service Regulations**, and the **Code of Conduct**. The **Explanatory Manual for the Code of Conduct** for the Public Service outlines the standards of integrity and professional conduct required of public servants. It provides clear guidance on employees' obligations, including the prohibition against using their public office for personal gain and the requirement to obtain prior approval before engaging in any remunerative work outside their official public service employment.

## 2. PURPOSE OF THE POLICY

The purpose of this policy is to establish clear measures and standards for managing conflicts of interest within the Department of Public Works and Roads. Conflicts of interest may arise from a variety of circumstances, which could potentially compromise the integrity, objectivity, and fairness of decision-making. These conflicts may include, but are not limited to, the following situations:

### a) Financial Interests of Employees

Any financial interest held by employees that could potentially influence, or be seen to influence, their professional judgment or decisions in their official capacity.

### b) Employees Holding Certain Positions or Interests

i) Employees who hold a position in any company, close corporation, or partnership that does business with the Department.

ii) Employees who have a private interest or share in any contract, agreement, tender, asset, or investment connected to the State, any national or provincial government, any municipality, or any public entity.

### c) Relationships Between Employees and Suppliers or Service Providers

Any personal relationships between employees and suppliers or service providers linked to companies, bodies, or organizations that conduct business with the Department. This includes any situation where such relationships could compromise, or appear to compromise, the impartiality of decisions or actions taken by the Department.

## 3. OBJECTIVES

The objectives of this Policy are to:



**Effectively Manage Conflicts of Interest:** Establish measures to manage and resolve conflicts of interest within the Department, ensuring that public servants are protected from any allegations or perceptions of conflicts that could undermine their integrity or professional conduct.

**Regulate and Restrict Business Interests:** Set guidelines to regulate and restrict the business interests of employees, minimizing potential conflicts of interest and safeguarding impartial decision-making.

**Promote a Culture of Good Governance and Ethical Conduct:** Foster a culture of good governance, ethical behavior, and professionalism within the Department. This will safeguard the public interest and ensure that the Department's actions align with its mandate to serve the public effectively and transparently.

#### 4. APPLICABILITY

This policy applies to all employees of the Department, regardless of their employment status. It includes:

- Permanent employees
- Contracted employees
- Employees in any other form of employment

The policy applies to all staff members across various levels and functions within the Department, ensuring that all individuals, irrespective of their role, adhere to the same standards and procedures regarding conflicts of interest.

#### 5. REGULATORY FRAMEWORK

This policy has been developed in accordance with the following legislative and regulatory framework, including prescripts specifically affecting conflict of interest:

- **Protected Disclosures Act 26 of 2000** – Ensures the protection of employees who disclose information relating to conflicts of interest or unethical behavior.
- **Labour Relations Act 66 of 1995** – Provides a foundation for employee relations, including the regulation of conflicts that may arise in the workplace.
- **Public Finance Management Act 1 of 1999**, and its associated regulations – Establishes financial management practices that help prevent conflicts of interest in the management of public funds.
- **Prevention and Combating of Corrupt Activities Act 12 of 2004** – Specifically addresses corruption, including activities where conflicts of interest could lead to corrupt actions.
- **Public Service Act 103 of 1994**, and its regulations – Governs the conduct of public servants, including the management and disclosure of conflicts of interest.
- **Constitution of South Africa Act 108 of 1996** – Provides a constitutional framework that mandates ethical conduct and transparency, including the avoidance of conflicts of interest by public officials.
- **Financial Disclosure Framework** – Requires the disclosure of financial interests by public servants to identify potential conflicts of interest.
- **Promotion of Access to Information Act 2 of 2000** – Ensures transparency in government operations, aiding in the identification and mitigation of conflicts of interest.
- **Promotion of Administration of Justice Act 3 of 2000** – Supports fair and impartial administration of justice, addressing conflicts of interest in judicial and administrative actions.
- **The Department's Code of Conduct** – Outlines ethical conduct expectations for employees, including rules on conflicts of interest.
- **Public Service Regulations, 2016** – Specifies prescripts and guidelines for managing conflicts of interest within the public service sector.





This comprehensive framework ensures that the policy aligns with national legislation, regulations, and prescripts related to conflict of interest. It provides clear guidelines for employees on how to identify, disclose, and manage conflicts of interest in compliance with the law. The Department is committed to **transparency**, **accountability**, and the promotion of **ethical practices** across all levels of its operations.

6. WHAT ARE CONFLICTS OF INTEREST?

6.1 Definition of Conflicts of Interest

A **conflict of interest** occurs when an employee has a direct or indirect personal interest that could interfere, or be perceived by others, with their objectivity in performing their official duties. This includes situations where an employee uses their position, access to confidential information, work time, or the Department’s resources or facilities for personal gain or to advance their own interests.

A conflict of interest may also arise when an employee’s personal interests directly or indirectly benefit any of the following individuals or entities:

- A family member
- A friend
- A business associate
- Any other person or entity with whom the employee has a close personal or professional relationship

It is essential to recognize both **actual** and **perceived** conflicts of interest, as even the appearance of a conflict can undermine public trust and compromise the integrity of the Department’s operations. Employees are therefore required to **disclose potential conflicts of interest** and take necessary actions to avoid any real or perceived compromise to their objectivity, ensuring that all decisions are made in the best interest of the Department and the public.

Perceived Conflict of Interest	Potential Conflict of Interest	Actual Conflict of Interest
A public official may appear to be influenced by private interests when performing their duties.	A public official is in a position where his or her private interests could influence their decisions while performing their duties.	A public official is in a position to be influenced by his or her private interests while performing their duties.
<b>Example:</b> The wife of one of the senior managers in SCM owns a stationery company that provides services to the provincial	<b>Example:</b> A senior manager sits on a committee responsible for selecting a service provider to supply stationery to the provincial	<b>Example:</b> An actual conflict of interest would occur if the senior manager fails to disclose that his wife owns the company and does not recuse



government. This could be perceived as a conflict of interest.	government. The senior manager's wife, the owner of one of the companies applying for the contract, creates a potential conflict of interest.	himself from the committees involved in the tendering process.
--	---	--

## 6.2 Types of Conflicts of Interest

Conflicts of interest can manifest in various forms within the Department. It is crucial to identify and address these potential conflicts proactively to maintain the integrity and effectiveness of the Department. The four primary types of conflicts of interest are as follows:

### *(i) Time Conflict*

A conflict of interest occurs when external employment, directorships, or other activities demand so much of an employee's time that it impairs their ability to effectively perform their duties within the Department. This includes situations where employees engage in outside employment activities during official working hours or dedicate excessive time to non-Departmental responsibilities, thereby detracting from their primary professional obligations within the Department.

### *(ii) Resource Conflict*

A conflict of interest arises when an employee uses Department resources—such as time, equipment, or financial assets—for personal purposes or outside activities unrelated to their official Department duties. This includes, but is not limited to, using Departmental facilities, materials, or staff time for personal business or external employment. Such behavior compromises the integrity of the Department's resources and operations.

### *(iii) Objectivity Conflict*

An objectivity conflict occurs when an employee's personal interests—such as financial interests in external companies or ventures—could compromise their objectivity when making decisions on behalf of the Department. For example, if an employee has a financial stake in a company that does business with the Department, their ability to make impartial decisions may be influenced by their personal financial interests, resulting in potential bias or conflicts in decision-making.

### *(iv) Relationship Conflict*

A conflict of interest arises when an employee is involved in decision-making that could directly or indirectly benefit or disadvantage their family members or close personal relations. For the purposes of this policy, **family** includes anyone related directly or through marriage, including, but not limited to, spouses, children, parents, grandparents, siblings, and parents-in-law. If an employee's decision could impact the interests of a family member or close relation, there is a potential conflict of interest, and steps must be taken to disclose and address such situations appropriately.



## 7. Examples of Conflict of Interest

The following situations constitute conflicts of interest and should be avoided or promptly declared by employees of the Department:

- **Part-time employment in areas similar to those of the Department:** Engaging in outside employment or business activities that are in direct competition or are related to the functions and responsibilities of the Department.
- **External work for suppliers, vendors, or organizations hired by the Department:** Taking up work with suppliers or vendors, or any organization that has a contractual or business relationship with the Department, creating the potential for biased decisions.
- **Financial interest in a business that is a supplier to the Department:** Holding shares or financial stakes in a business or receiving a commission from a company that supplies goods or services to the Department, which may influence or create the perception of influence over procurement decisions.
- **Exclusive or preferential discounts:** Receiving preferential treatment, such as discounts, or other benefits (e.g., shares in a company) from suppliers, persons under investigation, or vendors, which could influence the employee's decisions.
- **Dealing through family members or spouses:** Engaging directly or indirectly with a spouse, family member, or close associate who is a supplier or vendor, or is employed by one, particularly when this relationship may influence the objectivity of departmental decisions.
- **Nepotism or favoritism in hiring:** Using one's position to appoint family members or close associates to positions within the Department or within one's sphere of influence, creating an appearance of bias and unfair advantage.
- **Soliciting loans or favors:** Accepting or soliciting loans or any form of financial assistance from individuals or entities that are not in the business of granting loans, especially from citizens, suppliers, or individuals under investigation.
- **Misuse of Departmental resources:** Using Department time, resources, or assets for external interests, such as personal business activities, political campaigns, or other personal matters unrelated to official duties.
- **Disclosure of proprietary or confidential information:** Participating in any activity or disclosing information that may compromise the confidentiality of the Department or violate the privacy of citizens or organizations who have entrusted sensitive information to the Department.



In all of the above cases, employees must take proactive measures to avoid conflicts of interest, disclose any potential or actual conflicts to the relevant authorities, and take appropriate steps to manage or eliminate them in order to maintain the integrity and credibility of the Department.

## **8. MANAGING CONFLICTS OF INTEREST**

There are at least three (3) ways to manage or mitigate a conflict of interest:

### **8.1 Prevention / Avoidance**

The preferred method of dealing with a conflict of interest is to avoid it. Employees must:

- Avoid situations that give rise to conflicts of interest.
- Refrain from using their position for personal gain.
- Refrain from using Department resources (including information) for purposes outside the scope of their Department duties.

### **8.2 Disclosure**

When an employee becomes aware of a potential or existing conflict of interest (that could not or was not avoided), they must disclose it in an accurate and timely manner. In terms of Regulation 18(5), designate employees must use the electronic disclosure (eDiscloure) system to disclose their financial interests. The system is also designed for use by Ethics Officer (EO), Head of Department (HOD), Executive Authority (EA), The Department of Public Service and Administration (DPSA), and the Public service Commission (PC), monitor compliance and manage conflict of interest.

While the financial interest disclosed by members of the Senior Management Service (SMS) will be verified by the Public Service Commission (PSC). Verification of financial interest disclosed by other designated employees is the responsibility of the HOD. The Ethics Officer (EO), (whose functions include management of the disclosure system), is expected to conduct the verification on behalf of the HOD and report his/her findings and recommendations to the HOD, in line with Regulation 21(2) of the PSR 2016.

Purpose of verification is to assess completeness and accuracy of the disclosure; identify a conflict of interest situation and recommend ways of resolving such; and assess completeness with the relevant prescripts governing the conduct of designated employees in the Public Service.

- ✓ If the information on the profile is the same as the one disclosed by the employee, the disclosure is complete.





- ✓ In a case of incomplete disclosure, the EO should consult with the employee to establish the facts regarding such disclosure. The employee should be given an opportunity to provide reasons and disclose outstanding information before the closing date.

#### **(a) Disclosure of Financial Interests and Assets**

(i) Senior Managers (Salary Levels 13-16) are required to disclose their financial interests and assets in the prescribed e-disclosure format by 30 April annually, or upon appointment, and whenever their financial interests change, in accordance with the Financial Disclosure Framework and sub-regulation 21 of the Public Service Regulations, 2016, as amended.

(ii) Employees at Salary Level 12, including those on an Occupational Specific Dispensation (OSD), are required to disclose their financial interests and assets in the prescribed format by 31 July annually, or upon appointment, and whenever their financial interests change.

(iii) Employees at Salary Level 11, including those on an Occupational Specific Dispensation (OSD), are required to disclose their financial interests and assets in the prescribed format by 31 July annually, or upon appointment, and whenever their financial interests change.

(iv) Employees below Salary Level 11 in Supply Chain Management and Finance Units, including those on an Occupational Specific Dispensation (OSD), are required to disclose their financial interests and assets in the prescribed format by 31 July annually, or upon appointment, and whenever their financial interests change.

(v) New employees, including those on an Occupational Specific Dispensation (OSD), are required to disclose their financial interests and assets in the prescribed format within 30 days of assuming their duties.

(vi) The Head of Department (HOD) must ensure that all financial disclosure forms are scrutinized for potential conflicts of interest.

(vii) Information related to disclosures must be treated as sensitive and must be protected, with access restricted to authorized individuals only.

#### **(b) Declaration of Relatives Doing Business with the Government**

(i) Employees are required to declare whether they have family members, as defined in Section 6 above, who are doing business with the government, and particularly with the Department.



(ii) Employees are also required to declare whether their spouses are doing business with the government, and particularly with the Department.

### 8.3 Recusal

An employee who is aware of an actual or perceived conflict of interest must refrain from participating in meetings or decision-making processes that could be influenced by the conflict of interest.

## 9. RESPONSIBILITIES (DO'S AND DON'TS)

To comply with this policy, employees should adhere to the following practical guidelines:

### Don't:

- **Get involved in hiring, supervising, managing, or making career decisions for any relative**, or participate in financial control, auditing, or human resource discussions involving any relative.
- **Misuse your position** in the Department or confidential information obtained through your role to achieve personal or indirect gain.
- **Allow personal relationships** with contractors or suppliers to influence business decisions made on behalf of the Department.
- **Accept free travel or accommodation arrangements** from a Department supplier, as this could create the appearance of preferential treatment.

### Do:

- **Declare any conflict of interest** to your line manager, a member of the Human Resources unit, or senior management. Do not pursue personal interests at the Department's expense.
- **Ensure no vested interest** exists between you, the contractor, or the Department when conducting business to avoid potential conflicts of interest.
- **Conduct relationships with contractors and suppliers** in a professional, impartial, and competitive manner, maintaining fairness and transparency at all times.
- **Seek guidance** from your line manager or a member of the Human Resources unit if you are unsure about a situation or potential conflict of interest.
- **Ask yourself the following question:** *Would I feel comfortable explaining any action to my colleagues or to the media?* If the answer is no, it may indicate a conflict that should be addressed.

## 10. COMMUNICATION OF POLICY

The **Risk Management Unit** of the Department is responsible for communicating this policy to all employees.

If an employee is unsure how to apply this policy, whether a situation or personal interest constitutes a conflict of interest, or whether a circumstance should be disclosed, they should seek advice from one of the following:

- Their line manager, or
- The Risk Management Unit, and/or
- The appointed Ethics Champion of the Department.



## 11. REPORTING A VIOLATION OF THIS POLICY

If an employee believes there has been a violation of this policy, whether suspected or actual, they have a duty to report it. The following channels are available for reporting violations:

- Their line manager;
- The Senior Manager: Human Resources;
- The appointed Ethics Officer of the Department;
- The Department's Whistle-Blower hotline;
- The National Anti-Corruption Hotline at 0800 701 701.

Employees are encouraged to report violations in good faith to ensure that conflicts of interest are properly addressed and that the Department's integrity is upheld.

## 12. NON-COMPLIANCE

- Any conflict of interest in violation of this policy is considered serious misconduct. Employees found in violation of this policy will be dealt with according to the Department's Disciplinary Policy and may also face criminal prosecution, depending on the nature of the violation.
- Failure to complete and submit a financial disclosure form constitutes misconduct. Employees who do not comply with this requirement will be subject to the provisions outlined in the Disciplinary Policy.
- If an employee's actions constitute a criminal offense, such misconduct must be reported to the South African Police Service, and the employee may face criminal prosecution.

## TRANSGRESSIONS RELATED TO THE DISCLOSURE OF FINANCIAL INTEREST

TRANSGRESION	1 <sup>st</sup> Offence	2 <sup>nd</sup> Offence	3 <sup>rd</sup> Offence
	<ul style="list-style-type: none"> <li>- Less serious offence</li> <li>- Final written warning-valid for three occasions.</li> <li>- Designated employee must disclose within identified period after requested to do so.</li> </ul>	<ul style="list-style-type: none"> <li>- Serious offence.</li> <li>- Formal Disciplinary enquiry.</li> <li>- Sanctions that may be applied include suspension without pay for not more than three months.</li> </ul>	<ul style="list-style-type: none"> <li>- Serious offence.</li> <li>- Formal Disciplinary enquiry.</li> <li>- Sanction that may be applied include: demotion as an alternative to dismissal or dismissal.</li> </ul>
Failure to disclose even after being	<ul style="list-style-type: none"> <li>- Serious offence.</li> <li>- Formal Disciplinary enquiry.</li> </ul>	<ul style="list-style-type: none"> <li>- Serious offence.</li> <li>- Formal Disciplinary enquiry</li> </ul>	



alerted to the fact	- Sanctions that may be applied include suspension without pay for not more than three months.	- Sanction that may be applied include: demotion as an alternative to dismissal or dismissal.	
Provision of false, inaccurate or incomplete information	- Serious offence. - Formal Disciplinary enquiry. - Sanctions that may be applied include: suspension without pay for not more than three months. Demotion as an alternative to dismissal or dismissal.		

A written/final written warning will be valid for a period equal to disclosure period.

## TRANSGRESSIONS RELATED TO CONDUCTING BUSINESS WITH THE STATE

Transgression	1 <sup>st</sup> Offence
Conducting business with an organ of state	<ul style="list-style-type: none"> <li>• Serious offence.</li> <li>• Formal Disciplinary enquiry.</li> <li>• Sanction: Dismissal.</li> </ul>

## 13. ROLES AND RESPONSIBILITIES

All employees are responsible for adhering to this policy, and the following roles and responsibilities outline specific duties:

### 13.1 Head of Department (HOD)

The HOD must ensure that all financial disclosure forms submitted by employees are carefully scrutinized for any potential conflicts of interest.

### 13.2 Heads of Business Units/Directorates

Heads of Business Units are responsible for ensuring that all employees within their units complete and submit their financial disclosure forms annually and in compliance with this policy.



### 13.3 Ethics Champion

The Ethics Champion is tasked with ensuring that all employees in the Department disclose their financial and business interests annually, as part of their commitment to ethical conduct and transparency.

### 13.4 The Risk Management Unit



The Risk Management Unit is responsible for communicating the content and requirements of this policy to all line managers and employees. It ensures that the policy is properly disseminated throughout the Department and that employees understand their obligations.

## 14. POLICY REVIEW

This Conflict of Interest Policy will be reviewed and updated annually or as necessary to reflect changes in the regulatory environment, emerging risks, or Departmental needs. The review process ensures that the policy remains relevant and effective in managing conflicts of interest.

## 15. POLICY MAINTENANCE

This Policy is recommended by the Risk Management Committee and must be approved by the Head of Department. The Risk Management Committee is responsible for maintaining the integrity and relevance of the policy, ensuring its consistent implementation, and overseeing the reporting of any violations or non-compliance.

DESIGNATION	NAME	SIGNATURE	DATE
<b>RECOMMENDATION</b>			
Risk Management Committee Chairperson	Mr. M.I. Buwa		19 March 2025
<b>Approval</b>			
Head Of Department	Mr. M.I. Kgantsi		19/03/25

