

POLICY DEVELOPMENT FRAMEWORK

CONFLICT OF INTEREST

POLICY

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1. PURPOSE

1.1. The Cape Peninsula University of Technology (hereafter referred to as "CPUT" or the "university") is dedicated to upholding a culture of integrity and transparency requiring all staff and stakeholders to actively identify, disclose, and effectively manage conflicts of interest. This Conflicts of Interest Policy supports the **Ethics Framework (our Code)** by:

- 1.1.1. **Defining Conflicts of Interest** - It offers a clear and comprehensive definition of conflicts of interest, ensuring a shared understanding throughout the university.
- 1.1.2. **Outlining how to Identify conflict of interest** - The policy outlines a structured approach for identifying conflicts of interest, aiding individuals in recognizing potential conflicts in various contexts.
- 1.1.3. **Specifying Disclosure Requirements** - The policy outlines how one must disclose conflicts of interest, ensuring transparency and accountability.
- 1.1.4. **Providing Guidance for managing conflict of interest** - The policy furnishes guidance on how to effectively manage conflicts of interest, assisting individuals and areas of the university in mitigating potential issues and upholding ethical standards.

2. SCOPE

2.1. INSTITUTIONAL SCOPE 2.1.1.

This Policy applies to:

- 2.1.1.1. **All University Activities:** This includes everything the university does, its operations, governance, and administration of the University, including research activities.
- 2.1.1.2. **All University Sites:** This includes all campuses and locations of the University.
- 2.1.1.3. **At All Times whilst on University Business:** This applies whenever one is involved in university operations or representing the university in any capacity.

2.2. INDIVIDUAL SCOPE

2.2.1. This Policy applies to the following persons:

- 2.2.1.1. **University Stakeholders:** This includes staff, Council members, and members of university committees, panels, and advisory boards.
- 2.2.1.2. **Individuals Appointed to roles with Associated Entities of the University:** persons designated to positions within entities associated with the university.
- 2.2.1.3. **Students Involved in University Operations and Student Governance:** This includes students who take part in the

management of university operations or participate in student governance, including those engaged with university-related structures and committees.

- 2.2.1.4. External stakeholders: This includes consultants, service providers, and volunteers offering their services to the University. consultants, service providers, and volunteers to the university.

2.2.2. This policy applies to all the individuals listed above in relation to conflicts of interest arising from their contractual obligations with the university or when they represent the university in any capacity and must comply with this Policy.

3. OBJECTIVE AND CONTEXT

- 3.1. The objective of this Conflict of Interest Policy is to establish clear guidelines and procedures for identifying, disclosing, managing, and mitigating conflicts of interest within the university community.
- 3.2. This policy aims to uphold the principles of integrity, transparency, and accountability in all university activities, operations, and governance.

4. POLICY PRINCIPLE

POLICY STATEMENT

- 4.1. CPUT's Ethics Framework (our Code) requires all staff and university to behave with consistency, honesty and transparency in all activities and decision-making processes.
- 4.2. CPUT aims to conduct all its affairs in an honest and ethical manner.
- 4.3. CPUT has a responsibility to ensure that its activities, including those of its staff and stakeholders, conform to acceptable standards of integrity and good conduct.
- 4.4. CPUT has a responsibility to implement and enforce effective systems to counter bribery and corruption.
- 4.5. Staff and university stakeholders required to declare their conflict of interest in accordance with the provisions of this policy.

4.6. WHAT IS A CONFLICT OF INTEREST?

4.6.1. A conflict of interest refers to a situation where an individual's personal or professional interests (or their obligations to another party) are at odds with their work, responsibilities, tasks, or functions at CPUT. As such, conflicts:

- 4.6.1.1. may take the form of actual, perceived, or potential conflicts;

- 4.6.1.2. could directly or indirectly compromise the individual's performance in their work, responsibilities, or tasks;
- 4.6.1.3. may directly or indirectly influence decision-making processes; and
- 4.6.1.4. must be recognized and adequately managed according to this policy to ensure the integrity of processes and decision-making in alignment with CPUT's governance and risk management requirements.

4.7. Distinguishing Conflicts of Interest

- 4.7.1. Sometimes, identifying the existence of a conflict of interest may not be immediately apparent. In response to this, CPUT recognizes and categorizes three different types of conflicts of interest:
 - 4.7.1.1. **Actual Conflicts of Interest:** These are evident situations where there is a clear and direct conflict between one's ongoing work, responsibilities, duties, or functions, and their existing private interests or other work obligations.
 - 4.7.1.2. **Perceived Conflicts of Interest:** These arise when there could be a reasonable belief that a private interest or work-related responsibility might unduly affect the execution of one's work, responsibilities, duties, or functions, creating an appearance of impropriety.
 - 4.7.1.3. **Potential Conflicts of Interest** These materialize when there is a possibility that private interests or work responsibilities could eventually clash with professional interests, irrespective of whether this is currently the case.
- 4.7.2. Support and guidance in identifying conflicts of interest is available from various sources within the university. These include the appropriate Human Capital Business Partner, the Compliance Management Function, Legal Services, Risk Management, the Research Directorate, and the Office of the Registrar.
- 4.7.3. In line with this Policy, it is important to understand that the presence of a conflict of interest does not necessarily imply unethical motives or individual misconduct, but instead, it signifies the necessity to accurately identify, disclose, and effectively handle and appropriately manage such conflicts.

4.8. IDENTIFYING CONFLICTS OF INTEREST

4.8.1. Private and Professional Conflicts of Interest

- 4.8.1.1. Private and Professional Conflicts of Interest often involve issues of time allocation and are situations where an individual engages in outside professional activities, both paid or unpaid, that may interfere with their primary obligation and commitments to the University.

- 4.8.1.2. Private and Professional Conflicts of Interest may be financial, non-financial, business interests, outside work, directorships, or other office holdings, which may produce conflicting interests or obligations.
- 4.8.1.3. Private and Professional Conflicts of Interest may be held by staff or their close associates (for example their family or friends).
- 4.8.1.4. Private and Professional Conflicts of Interest may include a situation where a person (or their close associate) has a financial stake, shares, interest, or involvement in an external company (entity or organisation) and may be in a position (actual, perceived or potential) to influence contracts, collaborations, decisions, or other interactions between that company and CPUT.
- 4.8.1.5. Private and Professional Conflicts of Interest may include a professional or personal advantage may be gained due to access to information from their role (or the role of a close associate) at either CPUT or the external entity that may be beneficial to the other.
- 4.8.1.6. Private and Professional Conflicts of Interest may include a professional or personal advantage may be gained due to an incumbency in role or position that may be beneficial to a future role or substantive role or position.
- 4.8.1.7. Private and Professional Conflicts of Interest may include a person engages in paid and unpaid work outside CPUT (Private Policy) and this work could adversely affect their work, responsibilities, duties, or functions for CPUT or give rise to a conflict or potential conflict of interest.
- 4.8.1.8. Private and Professional Conflicts of Interest may include a person (or their close associate) has an affiliation, or other relationship, with an external company, entity or organisation located in South Africa or overseas that may result in external influence on their teaching, research, or decision-making. While this may not present an actual conflict immediately under the current suite of responsibilities, the possibility that an actual conflict may arise, or the perception that this is a conflict by an outside source, means that this must be declared.

4.8.2. **Conflicts of Interest Arising from Personal Relationships in the Workplace**

- 4.8.2.1. It is undesirable that personal relationships should intrude or be perceived to intrude on or influence working practices and decisions.
- 4.8.2.2. Conflicts of Interest arising from Personal Relationships in the Workplace may arise where a person works with family members or other people with whom they have a close

relationship (positive or negative) and acts in a supervisory or reporting role to that person.

- 4.8.2.3. Conflicts of Interest arising from Personal Relationships in the Workplace may arise when a person is involved in a decision relating to the selection, appointment, promotion, supervision or performance management of another staff member or affiliate with whom they have (or had) a personal, romantic relationship that may compromise the ability of that person to be objective or impartial.
- 4.8.2.4. Conflicts of Interest arising from Personal Relationships in the Workplace may arise where a person is responsible for supervising, teaching and/or assessing a student with whom they have (or had) a personal, romantic relationship that compromises the person's responsibility to behave reasonably, objectively and consistently to that student and to all students.
- 4.8.2.5. Conflicts of Interest arising from Personal Relationships in the Workplace may arise where a person is involved in a decision relating to procurement or financial spend that involves family members or with other people with whom they have a close (or hostile) relationship.
- 4.8.2.6. Conflicts of Interest arising from Personal Relationships in the Workplace may arise where a situation where a person's relative works for a building company with whom CPUT has a major contract. While neither party are directly involved with the contract, it could potentially cause a conflict at another time, or could be perceived as being a conflict by another observer.
- 4.8.2.7. In addition to the above examples, a personal, private, or professional benefit may arise where an individual receives a gift, benefit or another gratuity that poses a conflict of interest due to the actual expectation of a benefit in kind, or the perception that a benefit in kind may be expected (refer **Gifts, Benefits, and Hospitality Policy**).

4.8.3. Conflicts of Interest in Research

- 4.8.3.1. Conflicts of interest may arise where a person's research, research engagement responsibilities or any relevant research contracts or ethics processes, conflict with their personal, private, or professional interests.
- 4.8.3.2. In line with the Research Policy, researchers must be aware of all potential conflicts and/or other spheres of influence that may arise during the undertaking of any research-related activities, these must be disclosed to meet both internal and external requirements including those of funding bodies.
- 4.8.3.3. This includes the university's obligation to comply with the Policy Framework for Internationalisation of Higher Education in South Africa.

4.8.4. Conflicts of Interest Arising from Commercialisation

- 4.8.4.1. Where staff seek to translate or commercialise their research or project, often using an associated or controlled entity, staff are required to be familiar and comply with the Commercialisation of Technology Innovations Policy as this poses a conflict with their CPUT duties and functions.

4.9. DISCLOSING CONFLICT OF INTERESTS

- 4.9.1. **Timely Disclosure:** Staff are required to promptly report any potential conflicts of interest to their immediate line manager as soon as it becomes apparent that such a conflict might exist, using the conflict-of-interest declaration form.

- 4.9.2. **Formal Disclosure:** It is important to emphasize that the mere awareness of a particular situation by others or its status as public knowledge does not replace the need for an official written disclosure using the declaration of interest form.

- 4.9.3. **Managing Managerial Conflicts:** In cases where a conflict of interest involves an employee's line manager, the matter should be escalated to the higher-level supervisor of that line manager, to ensure impartial handling of such conflicts.

4.9.4. Additional Declaration Processes

- 4.9.4.1. **Researchers' Specific Interests:** Researchers are obliged to report interests that pertain directly to research projects, collaborations, engagements, or other research-related activities. Such interests, including any obligatory disclosures to funding bodies, must be documented, and linked to the respective projects, as outlined in the **Research Policy** and its associated Procedures.

- 4.9.4.2. **External Work-Related Conflicts:** Conflicts of interest that arise due to outside work should be disclosed in line with the Private Policy.

- 4.9.4.3. **Recruitment Process Conflicts:** Instances of conflicts arising during the recruitment and appointment process are typically overseen by the hiring manager, chair of the interview panel, or the relevant line manager, based on the recruitment stage and in line with the **Talent Acquisition and Selection Policy**. It is essential to note that, for the purpose of managing conflicts in the recruitment process, the term "line manager" includes the hiring manager.

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- 4.9.4.4. **Gifts and Benefits and Hospitality Related Conflicts:** Conflicts of interest that emerge from the receipt of gifts or benefits should be formally declared using the Gifts, Benefits, and Hospitality form, in accordance with the Gifts, Benefits, and Hospitality Policy.

- 4.9.4.5. **Procurement-Related Conflicts:** Conflicts arising at any stage within the procurement process or during procurement activities must be reported as specified in the **Procurement Policy**.
- 4.9.4.6. **Compliance in Specialized Areas:** Staff engaged in international endeavours, research, and/or national security activities are bound by additional compliance obligations. These activities should follow the disclosure requirements defined in the Internationalisation Policy).
- 4.9.4.7. **Graduate Research Student Conflicts:** Conflicts that arise between graduate research students and any of the following: principal supervisors, co-supervisors, assistant supervisors, or panel members, should be disclosed as per the guidelines of the Research Policy and associated Procedures.
- 4.9.4.8. **Stakeholder Contracts:** Specific clauses concerning conflicts of interest disclosure may be stipulated in contracts or service level agreements (SLAs) between CPUT and stakeholders such as service providers. In cases where a contract expressly addresses conflict of interest reporting, staff must adhere to the terms outlined therein. In the absence of such a contract or if it does not include obligations regarding conflict of interest reporting, the disclosure requirements articulated in this policy apply.

4.10. MANAGING CONFLICTS OF INTEREST

4.10.1. **Assessment and Conflict Management Plan:** Upon disclosure, both staff and their line managers are responsible for evaluating the conflict-of-interest disclosure and develop an appropriate conflict management plan that is proportionate to the level of risk and type of conflict (please see section 4.6 above, 'What is a conflict of interest?').

4.10.2. In evaluating the disclosure and determining appropriate control measures, CPUT recommends applying the 'Six Rs' approach to conflict interest management.

4.10.2.1. The six Rs:

CONTROL MEASURE	DESCRIPTION AND APPLICATION
Register (Disclose)	<p>The initial step in the management process involves registering the disclosure of a conflict. While registration itself does not resolve the conflict, it serves as the starting point for staff and line managers to commence the assessment process.</p> <p>In certain instances, registering the potential or perceived conflict may be the only necessary step. This may apply when the risk is low or when there is only the potential for a conflict, rather than an actual conflict at the time. Nonetheless, disclosures in such cases should still include a management plan.</p> <p>Registering a conflict may be required as part of another CPUT or external process (refer to statement 4.9.4.). This process should supplement the provisions of this policy.</p>
Restrict	<p>Under specific circumstances, an individual's involvement in a matter or process may be restricted to mitigate immediate risks posed by the conflict. For instance, staff may be required to refrain from participating in debates or public forums, abstain from voting, withdraw from panel or decision-making involvement, and/or experience limitations in accessing information relevant to the conflict of interest.</p>
Recruit	<p>When restricting involvement is neither practical nor reasonable, an independent third party may be engaged to oversee, participate in, or review the integrity of a decision-making process, interaction, or activity. This may include the temporary or permanent reassignment or transfer of particular tasks or responsibilities to another person.</p>
Remove	<p>Where feasible, removal or withdrawal of the staff member from participation in a matter, decision, or process (commonly referred to as non-participation) may be the only viable option to appropriately manage the conflict.</p>
Relinquish	<p>Surrendering personal interests, roles, or appointments may be the most effective way to eliminate conflicts with CPUT responsibilities. This may involve terminating memberships in clubs, committees, or associations or relinquishing of shares.</p>
Resign	<p>In limited cases where conflicts cannot be otherwise managed or resolved, resigning from CPUT, terminating a contract, or discontinuing a relationship with CPUT may be considered as an option.</p>

4.10.3. **Formulate and Record Control Measures:** All control measures should be agreed upon and documented within the management plan, which is included as part of the **Conflict-of-Interest Declaration Form** noting that:

- 4.10.3.1. **Combination of Control Measures:** In some cases, a combination of different control measures may be necessary to effectively manage the conflict and associated risks.
- 4.10.3.2. **Documentation of Situations with No Risk:** In cases where no risks are identified, and no further action is taken, this should still be documented in the management plan.

4.10.4. **Implementation and Oversight of Management Plans:** Management plans outlined in the Conflict of Interest Declaration Form must be implemented, monitored, and maintained to ensure all the control measures are put into action.

4.10.5. **Regular Review of Management Plans:** Management plans require periodic review and updates should the risk's nature change or circumstances warrant. These reviews should adhere to an agreed timeline, occurring at least annually, and must be documented within the management plan.

4.10.6. **Submission and Review Process:** The Conflict-of-Interest Declaration Form must be:

4.10.6.1. **Review and Approval:** Be reviewed and, if satisfactory, signed by the line manager and the appropriate dean or director (or an appropriate member of the senior executive if the individual is a dean, a director, the Chancellor, the Vice-Chancellor, a Deputy Vice-Chancellor (DVC), or a member of the senior executive).

4.10.6.2. **Central Register Inclusion:** Be submitted to the Compliance Management Function for inclusion in the central register of conflicts of interest.

4.11. MONITORING, REVIEW, AND ESCALATION

4.11.1. **Responsibility of Staff with Conflicts of Interest:** Staff members with conflicts of interest bear the responsibility of adhering to and fulfilling the stipulations outlined in the management plan.

4.11.2. **Duty of Line Managers:** Line managers must ensure that the management plan is actively monitored and reviewed, aligning with the agreed-upon timelines.

4.11.3. **Collaborative Effort:** Staff and their respective line managers should collaborate to maintain the management plan and promptly address any alterations or issues pertaining to the execution of control measures.

4.11.4. **Regular Reassessment and Documentation:** To sustain the effectiveness of management plans, staff members must routinely reassess their circumstances and incorporate any adjustments into the Conflict of Interest Declaration Form. During each review, staff must consider:

4.11.4.1. **Existence of the Conflict:** Whether the conflict still exists.

4.11.4.2. **Nature of the Conflict:** Whether the nature of the conflict has changed.

4.11.4.3. **Adherence to Control Measures:** Whether the control measures outlined in the management plan have been met.

4.11.4.4. **Need for Updates or Amendments:** Whether control measures require updates or amendments.

4.11.5. **Documentation of Changes:** Changes, including the resolution of a conflict, should be mutually agreed upon and documented within the management plan. Subsequently, these updates should be submitted to the **Compliance Management Function** to ensure the central register remains current.

4.11.6. **Conflict Resolution Mechanisms:** Matters or disputes arising from the management of a disclosed conflict of interest will be directed for resolution as follows:

4.11.6.1. **DVC: Learning & Teaching:** In the case of academic staff and academic-related concerns.

4.11.6.2. **DVC: Research, Technology, Innovation and Partnerships:** For issues related to research activities.

4.11.6.3. **Registrar:** Pertaining to Council members and Council Committees.

4.11.6.4. **Relevant Executive:** Concerning support staff and operational matters.

4.12. PREVENTION AND CONTINUOUS IMPROVEMENT

4.12.1. **Enhanced Support for Line Managers:** Line managers will receive comprehensive support from the Compliance Management Function to aid their staff in recognizing conflicts of interest.

4.12.2. **Proactive Disclosure and Management Obligations:** As part of their annual responsibilities, all staff members are obligated to proactively declare and effectively manage any actual, perceived, or potential conflicts of interest.

4.12.3. **Additional Guidance Available:** Further guidance is readily accessible in the **Conflicts of interest at CPUT**.

4.12.4. **CPUT Commitments:** CPUT is committed to:

4.12.4.1. **Enhancing Institutional Understanding:** CPUT will continually strive to augment its institutional comprehension of conflicts of interest.

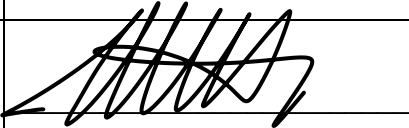
4.12.4.2. **Resourceful Guidance:** To provide further support, CPUT will maintain a dedicated website offering comprehensive guidance on the management of conflicts of interest (see "**Conflicts of interest at CPUT**").

4.12.5. **Proactive Intervention:** CPUT reserves the right to intervene promptly if there is reasonable cause to believe that a conflict of interest has emerged or may arise between the private interests of staff, students, or stakeholders and their respective work, duties, or functions at CPUT.

6. RESPONSIBILITY

Accountability and Authority:	
Implementation:	Executive Management Compliance Management Function Directors of Units Line Managers
Compliance:	All staff
Monitoring and Evaluation:	Internal Audit Registrar Council EC Compliance Management
Development/Review:	This policy should be reviewed in accordance with the attainment of CPUT's strategic objectives
Approval Authority:	Council
Interpretation and Advice:	Compliance Management

Policy Development Framework			
Policy Type(s):	A: Institutional Governance Policy B: Administrative Policy.		
Type:	Policy	Guideline	Annual
	Procedure	Regulation	Plan
CPUT Statute and/or Regulation Reference no. and date:	Cape Peninsula University of Technology Statute Government Notice No 6 of May .		

Relevant Legislation and/or Policy, Codes of practice, Professional authorities:	<ul style="list-style-type: none"> • Constitution of the Republic of South Africa Act, 1996 (Act No. 108 of 1996) (The Constitution). • Higher Education Act (No. 101 of 1997) as amended. • Prevention and Combating of Corrupt Activities Act, 2004 (Act No. 12 of 2004). • Protected Disclosures Act, 2000 (Act No. 26 of 2000). • Financial Intelligence Centre Act, 2001 (Act No. 38 of 2001). • National Prosecuting Authority Act, 1998 (Act No. 32 of 1998). • Protection of Personal Information Act, 2013 (Act No. 4 of 2013). • Public Finance Management Act, 1999 (Act No. 1 of 1999). 	
Relevant Institutional Policies/ documents/manuals/ handbooks	<ul style="list-style-type: none"> • Cape Peninsula University of Technology Strategic Plan: Vision 2030. • Ethics Framework. • Whistleblowing Policy. • Gifts, Benefits, and Hospitality Policy. • Conflict of Interest Policy. • Private Work Policy. • Compliance Management Policy. • Compliance Management Program. 	
Policy Reference and Version no.:		
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Policy Owner/Sponsor	ED: VC	
Compliance Officers	Compliance Owners supported by Compliance Management Function.	
Certification of Due process: To be verified and signed once approved by the relevant authority	 Vice Chancellor 06.12.2023 Date	
Approval Date	Commencement Date	Review Date

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1.0			Council		

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