

Conflicts of Interest Policy

Conflicts of Interest Policy



Doc ref QUA091-5.0
Date of issue 01/03/2016
Review date 01/12/2021
Classification Public

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1. Statement

Conflicts of interest arise when there is an influence or appear to be influence by personal and professional interests.

This statement applies to all Smart Awards employees, as well as “service providers” acting on behalf of Smart Awards through a third party arrangement. Service providers includes external quality assurers, assessors, centres, and those involved in qualification development, course authors, consultants; committee and Board members.

Smart Awards employees, as well as an “service providers” acting on behalf of Smart Awards through a third party arrangement have an obligation to:

- To act in the best interests of Smart Awards
- Declare any personal or business interests which may conflict with their responsibilities
- To ensure a conflict of interest will be recorded and reported outlining the, nature and extent of the conflict and actions taken to manage the conflict
- Not misuse official positions or information acquired in official duties to further private interests or those of others if they are responsible for money or financial matters, directly or indirectly, or in handling contract
- Perform duties fairly and impartially and that decisions are not affected by self-interest and/or personal gain
- Take personal responsibility for actions
- Must never hide or ignore a conflict of interest or gain personally from an opportunity encountered
- Report all conflicts of interests that cannot be avoided and for persons to participate in their resolution or management

Having a conflict of interest is sometimes unavoidable and persons or companies will not be adversely treated just for having a conflict of interest, unless conduct in dealing with it is corrupt, criminal or otherwise demonstrates lack of integrity.

Action should only be considered where an individual or service provider:

- Fails to identify a conflict (where they are reasonably expected to identify)
- Fails to avoid a conflict that could have been avoided
- Fails to report an unavoidable conflict
- Took action on a conflict to benefit their personal or private interests
- Fails to cooperate in the management of a conflict
- Fails to comply with the policy

The risks associated with conflicts cannot always be eliminated. Smart Awards operates an online management system that captures and minimises risks to an acceptable level and is based on a model that empowers people to take ownership to declare and update all their disclosures on a day to day basis. All disclosures are submitted for clearance and approved by the MD.

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2. Adverse effect

An act, omission, event, incident, or circumstance has an adverse effect if it: -

- a) Gives rise to prejudice to learners or potential learners or
- b) Adversely effects;
 - i. The ability of the awarding organisation to undertake the development delivery or award of qualifications in accordance with the conditions of recognition
 - ii. The standards of the qualifications which the awarding organisations makes available or proposes to make available or
 - iii. Public confidence in qualifications

3. Principles

- **Employee ownership:** Disclosing a conflict, or updating the disclosure as things change over time, is each and every employee's and service provider responsibility.
- **Compliance oversight and objectivity:** The role of compliance is the responsibility of the MD who is the guardian of the conflict of interest program, ensuring independent and consistent reviews and responses. It's the role of the MD to ensure that every disclosure gets a clearance. Quarterly reports are submitted and reviewed by the Board of Directors on a quarterly basis.
- **System of record:** We hold one online system for all employees and service providers that facilitates the entire conflicts disclosure process and captures all information in a central place, this also includes a declaration where no conflict of interest exists.
- **Clear communication:** We encouraging employees and service providers that disclosing conflicts is the best solution so it can be managed and transparent.

4. Policy

The policy applies to all Smart Awards employees, as well as an "service provider" acting on behalf of Smart Awards through a third party arrangement and offers guidance on how Smart Awards deals with conflict of interests.

The policy outlines:

- The meaning of a conflict of interest
- Identifies the conceivable areas where a perceived or real conflict of interest is a possibility
- Communicates the responsibilities for identifying, managing and documenting real or perceived conflicts of interest

Conflicts of interests may arise where an individual's personal or family interests and/or loyalties conflict with those of Smart Awards. Such conflicts may create problems that can:

- Inhibit free discussion
- Result in decisions or actions that are not in the interests of Smart Awards
- Risk the impression that Smart Awards has acted improperly

Types of conflicts of interest

There are three main types of conflicts of interest: actual, perceived and potential. Each of these presents the same personal and organisational risks and therefore need to be managed appropriately. If you are unsure if a conflict exists, you should discuss the matter with Smart Awards management team.

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- **Actual conflict of interest** Where a conflict exists between your responsibilities and your private interests.
- **Perceived conflict of interest** Where it could be seen by others that your private interests could improperly interfere with or influence your responsibilities, whether or not this is in fact the case
- **Potential conflict of interest** Where your private interests could interfere with or influence your responsibilities in the future.

Assessing your situation

Conflicts of interest can arise in a variety of circumstances. In assessing whether you have a conflict of interest there are a number of factors about your private interests you need to consider. It is impossible to list every potential conflict of interest relating to Smart Awards activity. Some examples are where an employee or service provider:

- Has a position of authority in one organisation that conflicts with his or her interests in another organisation
- Carries out work on Smart Awards behalf, but may have personal interests (paid or unpaid) in another business which either uses Smart Awards products or services, or produces similar products
- Secondary employment which is perceived as a conflict of interest with Smart Award activity
- Makes a media comment that is perceived as a conflict of interest
- Makes a public comment that is perceived as a conflict of interest
- Makes an endorsement that is perceived as a conflict of interest
- Release information to third parties and is perceived as a conflict of interest
- Provides a character reference that results in a conflict of interest
- Influences part of the selection and recruitment process that is perceived as a conflict of interest
- Has an interest in a family or private business
- Has a secondary employment commitment
- Has associations with, or obligations to, for profit and non-profit organisations and associations in a personal or professional capacity or through relationships with people living in the same household
- Has directorships of other companies
- Is a Director who is also an examiner or provider
- Has close relatives which may conflict with their status as a Director, Examiner, Centre or member of staff
- Enters into a financial or operational agreement with an organisation or individual in which there is a vested interest
- Interests of one job held by an individual contradicts another job held by that same individual (e.g. a person working for two competing organisations)
- Has purchased goods or services from a relative of an individual or a firm controlled by a relative
- Accepts gifts from others to promote their interests within the organistaion
- Involved in development, delivery and awarding of qualifications or trailblazer/apprenticeship assessments

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Smart Awards is committed to identifying, managing, recording and, where relevant, disclosing actual, perceived or potential conflicts of interests. The aim of this policy is to protect both the organisation and the individuals involved from any real or perceived or potential impropriety.

5. Responsibilities

Managing conflicts of interest is a shared responsibility that requires Smart Awards to work together with staff and service providers involved with any activity connected with Smart Awards resources and services, to identify and implement solutions to resolve the conflict. All staff and service providers who carry out services for Smart Awards whether paid or unpaid will strive to avoid any conflict of interest between the interests of Smart Awards. A failure of either party to appropriately contribute to the management of a conflict of interest is a potential misconduct issue that may result in management action, including removal /dismissal from Smart Awards.

To manage conflicts of interest effectively Smart Awards will:

- Provide advice and guidance when a conflict of interest is identified
- On receiving a disclosure of a conflict of interest, **record** the conflict of interest and make appropriate enquiries to allow a thorough risk assessment to occur
- **Assess** the risks associated with the conflict of interest
- Consult with the individual involved and **identify** solutions appropriate to the risk level
- **Manage** the conflict of interest with the cooperation of the individual involved
- **Monitor** the conflict of interest for the individual, or until it is resolved

Under company law a connected person includes the following:

- Family members (including spouse or civil partner)
- Corporate bodies committee members of a trust
- Business partner. It is unlikely that conflicts of interest can be completely avoided but the conflict should be managed to avoid any adverse effect on the organisation and to promote maximum accountability and transparency in the organisation's affairs.

6. Individual Procedure

IDENTIFY While it remains the responsibility of the individual to identify conflicts of interest, other circumstances may lead to the identification of a conflict of interest including:

- Complaint investigations
- Information from colleagues
- Other sources

If a conflict of interest is not self-reported by an individual and comes to the attention of Smart Awards by other means, consideration should be given as to why they did not self-report and whether it is reasonable to expect that they should have.

AVOID You are required to taking reasonable steps to avoid conflicts of interest where possible, this includes:

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- Abstaining from involvement in official decisions and actions that could be compromised by your personal interests, affiliations and associations
- Avoiding activities where you could be seen to accrue an advantage from inside information because of your duties
- Not using your position for your own personal gain or the gain of others close to you
- Ensuring that there can be no real or perceived benefit that may influence the performance of your duties
- Not taking advantage of your position or access to privileged information

REPORT Where a conflict of interest cannot be avoided you must report the conflict by raising a disclosure through Smart Award online system.

If it is an emergency and it is not practical to report via the online system, then you can report it verbally or in writing to the Director of Awarding who will raise a disclosure on your behalf.

MANAGE Once you have reported a conflict of interest the risk is shared with Smart Awards. The Director of Awarding will work with you to identify and implement an appropriate solution for dealing with the conflict.

MONITOR Monitoring the conflict is essential to ensure that any changes are accounted for and dealt with.

Even if you have already reported a conflict of interest and think it has been resolved you might find circumstances where the conflict arises again or affects you in another way. If there are any changes or the conflict arises again you must report the conflict again to ensure that it is resolved appropriately.

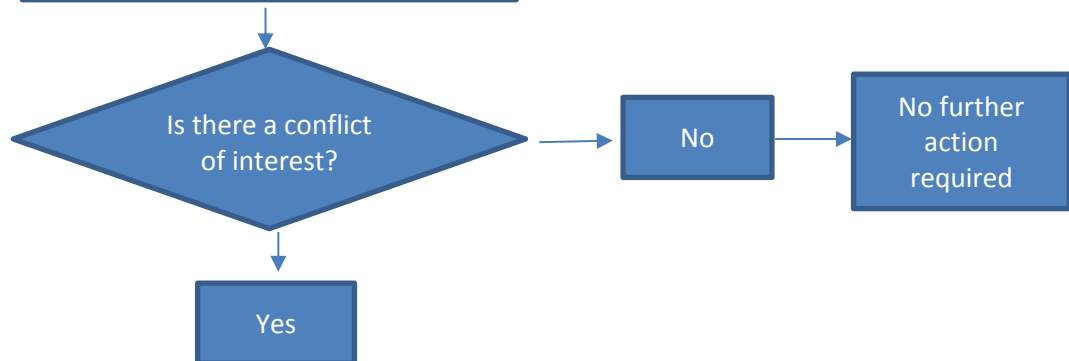
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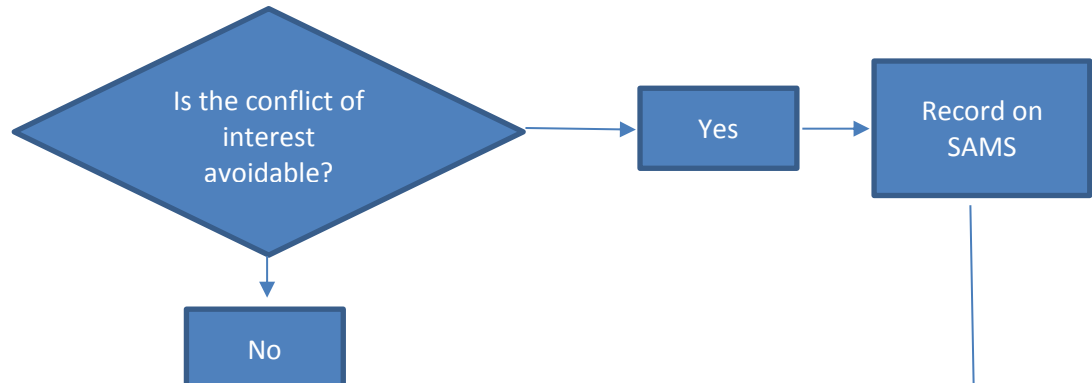
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IDENTIFY

Consider your private interests and the relationship between official duties and responsibilities to identify conflicts of interest



AVOID



REPORT

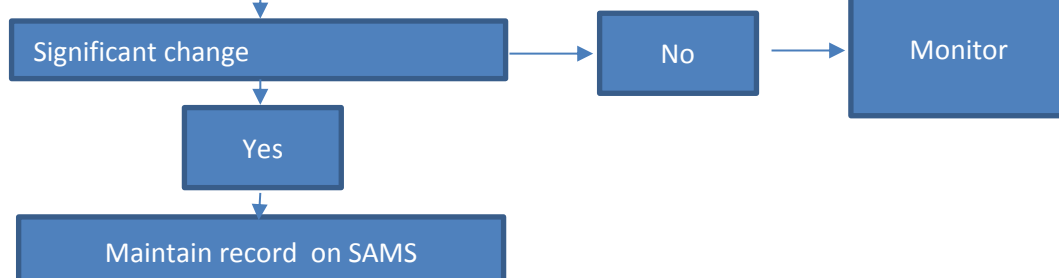
Add a new disclosure and submit via SAMS

Record on SAMS

MANAGE

Gain disclosure clearance either with conditions or without conditions

MONITOR



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7. Management procedures

RECORD	Conflict of interest disclosure is raised through Smart Awards online system and submitted to the MD for clearance.
ASSESS	<p>The MD undertakes a risk assessment of the disclosure and in doing so, they consider the likelihood and consequence of the:</p> <ul style="list-style-type: none">• reliability of the source and validity of information• recency of contact or involvement with the conflict of interest• location and nature• previous issues regarding integrity and conduct of the individual• reputation of Smart Awards• frequency, method and type of contact• willingness to report and acknowledge the conflict of interest
IDENTIFY	The MD identifies if the disclosure is cleared with conditions or no conditions.
MANAGE	The disclosure is managed and controlled through Smart Awards system. Once a conflict of interest is reported the risk is shared with Smart Awards. Smart Awards will identify and implement an appropriate management solution for dealing with the conflict by applying either a restrict or relinquished action.
MONITOR	<p>The disclosure is monitored through Smart Awards system. Quarterly reports are submitted to the Board of Directors. Monitoring the conflict is essential to ensure that any changes are accounted for and dealt with.</p> <ul style="list-style-type: none">• All potential conflicts of interest are recorded• Any potential high risk conflicts of interest are identified on Smart Awards risk register and elevated to the Board• Control measures are listed against each risk identified• Smart Awards carries out internal audits to ensure compliance• Monitoring of conflicts is continuous• The conflicts of interest policy is reviewed and updated annually

8. Declaration of Interests

Smart Awards staff, as well as an “service provider” acting on behalf of Smart Awards through a third party arrangement have an obligation to declare any conflicts of interests at the earliest opportunity and withdraw from any subsequent discussion or activity. The same applies if you face a conflict for any other reason. You may, however, participate in discussions from which you may indirectly benefit, for example where the benefits are universal to all, or where your benefit is minimal.

Any gifts or hospitality received in connection with Smart Awards activity must be declared through Smart Awards online system.

Gifts and hospitality:

- All gifts and hospitality should be declared and recorded

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- The information recorded should include its estimated value, the date on which it was received, who it was given by and the reason for the gift
- Gifts and hospitality should never be solicited
- Gifts and hospitality with a nominal value for example, flowers, chocolates can be accepted but only if the gifts are not given or received with an expectation that there is an obligation owed as a result of the gift
- If a gift is received that exceeds the nominal value, the gift should be returned to the sender, the market price should be paid or the gift should be donated to a charitable organisation
- Gifts and hospitality intended to influence organisational decision making should NEVER be accepted.

All Individuals employed or contracted by Smart Awards must raise a declaration via Smart Awards online system, whether it holds a disclosure or nothing to declare.

All those involved with Smart Awards either employed or as “service providers” will be expected to comply with the Nolan principles:

- Selflessness Smart Awards staff should act solely in the interest of Smart Awards, stakeholders and learners
- Integrity Smart Awards staff must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships
- Objectivity Smart Awards staff must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias
- Accountability Smart Awards staff are accountable for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this
- Openness Smart Awards staff should act and take decisions in an open and transparent manner.
- Honesty Smart Awards staff should be truthful.
- Leadership Smart Awards staff should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

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9. Conflict of Interest Declaration Form

Smart Awards Declaration of Interests	
Please indicate your role with Smart Awards	Name
Example of conflict	Tick if this applies <input checked="" type="checkbox"/>
Has no disclosures to declare	
Has a position of authority in one organisation that conflicts with his or her interests in another organisation	
Carries out work on Smart Awards behalf, but may have personal interests (paid or unpaid) in another business which either uses Smart Awards products or services, or produces similar products.	
Secondary employment which is perceived as a conflict of interest with Smart Award	
Has associations with, or obligations to, for profit and non-profit organisations and associations in a personal or professional capacity or through relationships with people living in the same household	
Has directorships of other companies	
Is a Director who is also an examiner, assessor or centre	
Has close relatives which may conflict with their status as a Director, examiner, assessor, Centre or member of staff	
Has a financial or operational agreement with an organisation or individual in which there is a vested interest	
Interests of one job held by an individual contradicts another job held by that same individual (e.g. a person working for two competing organisations)	
Involved in development, delivery and awarding of qualifications and/or trailblazer/apprenticeship assessments	
Has been employed previously by a Smart Awards centre	
Is a contracted employee of a Smart Awards centre	
Is a direct competitor of a Smart Awards centre	
Has a family member working at a Smart Awards centre	
Has a known or un-known financial interest in a Smart Awards centre	
Assessors being impartial in the assessment of the learner and no vested interest in the outcome of the assessment	
Has any involvement with other Awarding Organisation	
Other	
Please give detail of the disclosure	

I agree to advise Smart Awards of any conflicts of interest that may develop and will submit further declarations as required to Smart Awards for which I am commencing contracted or employed activities.

Signed

Date

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10. Examples of conflict of interests and actions

Smart Awards take all reasonable steps to make sure that no conflicts of interest have an adverse effect and/or that such effects are mitigated as far as possible. When a disclosure is raised Smart Awards will apply either a restricted or relinquished action.

Restrict action is most appropriately applied when the employee or service provider can be effectively separated from parts of an activity or process including restricting the:

- Involvement in critical criteria setting or decision making
- Involvement in debate on related issues
- Involvement in discussion of affected proposals or operational plans
- Involvement in operations
- Involvement in the development of qualifications
- Involvement in the development of assessment
- Involvement in the development of materials
- Access to information and confidential information
- Board or committee members with a conflict of interest who will abstain from casting a vote that may cause a material gain for that particular member or a company that they have a vested interest in. Agenda items for that particular meeting that are considered a conflict of interest would be discussed without that particular person present. Any decision made would be included in the meeting minutes by the secretariat of the meeting with: Details of the conflict of interest that has been raised; an outline of the discussion; actions taken to mitigate and manage the conflict of interest; communication that any documents would be deemed confidential and restricted in the circulation before, during and after the meeting has taken place

Relinquish action is a very effective management solution that involves the relinquishing of the personal interest(s) that gives rise to the conflict. Depending on the nature of the conflict, this option might involve:

- Relinquish relationship with a person, organisation or group
- Gifts are given to charitable organisation
- Remove approval status of service provider
- Remove contractual status
- Disciplinary action of employee

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11. Examples of Conflicts

Example of conflicts	Action
Has a position of authority in one organisation that conflicts with his or her interests in another organisation	Restrict action
Carries out work on Smart Awards behalf, but may have personal interests (paid or unpaid) in another business which either uses Smart Awards products or services, or produces similar products.	Restricted or Relinquish action
Secondary employment which is perceived as a conflict of interest with Smart Award activity	Restricted or Relinquish action
Makes a media comment that is perceived as a conflict of interest	Relinquish action
Makes a public comment that is perceived as a conflict of interest	Relinquish action
Makes an endorsement that is perceived as a conflict of interest	Relinquish action
Release information to third parties and is perceived as a conflict of interest	Relinquish action
Provides a character reference that results in a conflict of interest	Relinquish action
Influences part of the selection and recruitment process that is perceived as a conflict of interest	Relinquish action
Has an interest in a family or private business	Restrict action
Has a secondary employment commitment	Restrict action
Has associations with, or obligations to, for profit and non-profit organisations and associations in a personal or professional capacity or through relationships with people living in the same household	Restrict action
Has directorships of other companies	Restrict action
Is a director who is also an examiner, assessor or provider	Restrict action
Has close relatives which may conflict with their status as a Director, examiner, assessor, Centre or member of staff	Restrict action
Enters into a financial or operational agreement with an organisation or individual in which there is a vested interest	Restrict action
Interests of one job held by an individual contradicts another job held by that same individual (e.g. a person working for two competing organisations)	Restrict action
Has purchased goods or services from a relative of an individual or a firm controlled by a relative	Restrict action
Accepts gifts from others to promote their interests within the organisation	Relinquish action
Members of the board, Committee members, may unjustifiably influence decisions as to warrant a personnel or commercial gain.	Restrict action
Involved in development, delivery and awarding of qualifications and/or trailblazer/apprenticeship assessments	Restricted action
Quality Assurance staff that have a part to play in the design of assessments and fail to highlight issues relating to the delivery of the assessment	Relinquish action
The designers of assessment disclosing confidential information about assessment to unofficial person/s and/or organisations	Restricted action
Allocation of EQAs to centres <ul style="list-style-type: none"> • Having been employed previously by the centre • Is a contracted employee of the centre • Is a direct competitor of the centre • Has a family member working at the centre 	Restricted action

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• Has a known or un-known financial interest in the centre	
Assessors being impartial in the assessment of the learner and no vested interest in the outcome of the assessment	Restricted action
Where an individual has personal interests that conflict with Smart Awards qualifications	Restricted action
Where an individual is writing assessments for Smart Awards and works for a Centre who delivers Smart Awards qualifications	Restricted action
An assessment and internal quality assurance activity undertaken at a Centre is undertaken by the same person	Restricted action
Where an individual is internally marking assessments of a learner who is a friend or relative	Restricted action
Where an individual is internally or externally marking assessments for Smart Awards and works for a Centre who delivers Smart Awards qualifications	Restricted action
Where an individual carries out work on Smart Awards behalf, but may have personal interests (paid or unpaid) in another business which uses Smart Awards qualifications	Restricted action

12. Incidents Affecting Centres or Learners

Smart Awards has identified the following as potential incidents that could have an Adverse Effect on learners; Learners made redundant before assessment complete; Approved Centre ceases trading.

In the first instance Smart Awards will work with the Approved Centre, Smart Awards staff and local employers to establish if assessment opportunities can be found to enable the learner to complete their qualification.

In the second instance Smart Awards will work with other Approved Centres to see if the registrations can be transferred. Another possible incident that could have an Adverse Effect is; Lack of workplace assessment opportunities

In this instance the Centre's Internal Quality Assurer (IQA) will work with the appropriate External Quality Assurer (EQA), Smart Awards staff and the employer, to see if simulated assessment opportunities can be identified to progress the learner until workplace assessment becomes possible again. All incidents will be logged and maintained on Smart Awards Risk Register to ensure the issue is highlighted managed and mitigated against.

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13. Notification to SQA Accreditation or Ofqual of an Adverse Effect or Change

Title of notification:			
Raised by:		Date Raised:	
Details of notification or adverse effect:			
<input type="checkbox"/>	Name of responsible officer		
<input type="checkbox"/>	Change of responsible officer		
<input type="checkbox"/>	Name of senior officers		
<input type="checkbox"/>	Change of senior officers		
<input type="checkbox"/>	Change in governance structure		
<input type="checkbox"/>	Notification of an adverse effect		
<input type="checkbox"/>	Other		
Summary of change or adverse effect:			
Impact Analysis:			
Implications and relationships			
Details of consultation internal and external stakeholders			
<i>(Enter details of the consultation that has taken place to ensure that all parties have been consulted have been consulted)</i>			
Internal approval and level of priority:			
<input type="checkbox"/>	Priority 1 = Mission critical problem resolution, immediate response required 1-2 weeks		
<input type="checkbox"/>	Priority 2 = High importance, no workaround -1 month		
<input type="checkbox"/>	Priority 3 = Important, workaround is available – 1-3 months		
<input type="checkbox"/>	Priority 4 = Low importance – 3 -6 months' plus		
Authorised Signature:		Business Deadline:	Date: