



# Conflicts of Interest Policy

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## SCOPE

1. This policy is for Smart Awards staff, Centres and other third parties who access Smart Awards qualifications and related services and all those involved with the development, delivery, and quality assurance of Smart Awards qualifications where:
2. Conflicts of interest arise when there is an influence or appear to be influence by personal and professional interests. This policy covers:
  - Potential situations where conflicts of interest may arise
  - Actions that should be taken to identify, record and manage conflicts of interest
  - How Smart Awards will manage conflicts of interest

## PRINCIPLES

3. Selflessness: All should act solely in the interest of Smart Awards, stakeholders, and learners.
4. Integrity: All must avoid placing themselves under any obligation that might inappropriately try to influence or take decisions to gain financial or other material benefits for themselves, family, or friends. All must declare and resolve any interests and relationships.
5. Objectivity: All must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.
6. Accountability: All must be accountable for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.
7. Openness: All should act and take decisions in an open and transparent manner.
8. Honesty: All should be truthful:
  - To act in the best interests of Smart Awards
  - Manage potential situations where conflicts of interest may arise
  - Take actions to identify, record and manage conflicts of interest
  - Declare any personal or business interests which may conflict with their responsibilities
  - Ensure conflict of interests are recorded and reported outlining the, nature and extent of the conflict and mitigating 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
  - Not to 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

## OFQUAL GENERAL CONDITIONS

9. A4.1 For the purposes of this condition, a conflict of interest exists in relation to an awarding organisation where – (a) its interests in any activity undertaken by it, on its behalf, or by a member of its Group have the potential to lead it to act contrary to its interests in the development, delivery and award of qualifications in accordance with its Conditions of Recognition, (b) a person who is connected to the development, delivery or award of qualifications by the awarding organisation has interests in any other activity which have the potential to lead that person to act contrary to his or her interests in that development, delivery or award in accordance with the awarding organisation's Conditions of Recognition, or (c) an informed and reasonable observer would conclude that either of these situations was the case.
10. A4.2 An awarding organisation must identify and monitor – (a) all conflicts of interest which relate to it, and (b) any scenario in which it is reasonably foreseeable that any such conflict of interest will arise in the future.
11. A4.3 An awarding organisation must establish and maintain an up to date record of all conflicts of interest which relate to it.
12. A4.4 An awarding organisation must take all reasonable steps to ensure that no conflict of interest which relates to it has an Adverse Effect.
13. A4.5 Where such a conflict of interest has had an Adverse Effect, the awarding organisation must take all reasonable steps to mitigate the Adverse Effect as far as possible and correct it. Interests in assessment
14. A4.6 An awarding organisation must take all reasonable steps to avoid any part of the assessment of a Learner (including by way of Moderation) being undertaken by any person who has a personal interest in the result of the assessment.
15. A4.7 Where, having taken all such reasonable steps, an assessment by such a person cannot be avoided, the awarding organisation must make arrangements for the relevant part of the assessment to be subject to scrutiny by another person.
16. A4.8 An awarding organisation must establish, maintain, and at all times comply with an up to date written conflict of interest policy, which must include procedures on how the awarding organisation intends to comply with the requirements of this condition.
17. A4.9 When requested to do so by Ofqual in writing, an awarding organisation must promptly submit to Ofqual its conflict of interest policy and must subsequently ensure that the policy complies with any requirements which Ofqual has communicated to it in writing.

## SQA ACCREDITATION PRINCIPLES

18. Principle 1. The awarding body shall have clearly defined and effective governance arrangements.

## RESPONSIBILITIES

19. This policy is for qualifications offered by Smart Awards. This policy is for Smart Awards staff, Centres and other third parties who access Smart Awards qualifications and related services and all those involved with the development, delivery, and quality assurance of Smart Awards qualifications. Smart Awards has overall responsibility for ensuring this policy complies with our legal and ethical obligations, and that all those under our control comply with it. Smart Awards has the day-to-day responsibility for implementing this policy and for monitoring its use and effectiveness and dealing with any queries on its interpretation.

R	Responsibilities	The person who actually carries out the process or task. The person is responsible for action/implementation. Responsibilities can be shared											
A	Accountabilities	The person who is ultimately accountable for the process or task being completed and who has the authority to make decisions, yes or no authority and veto power. Responsible person (s) is accountable to this person. Only one A can be assigned to a task											
C	Consulted	The person to be consulted prior to a final decision or action (two-way communication). People who are not directly involved with carrying out the task but are consulted with.											
I	Informed	Anyone whose work depends on the process or task and who must be updated about the progress after a decision or action has been taken (one-way communication).											
POLICIES		BOARD	CEO	MD	OPS DIRECTOR	QUALITY PORTFOLIO MANAGER	STANDARDS COMPLIANCE OFFICER	QUAL ADMIN OFFICER	IT CONSULT	FINANCE AUDITOR	EQA	NOPS BOARD	CENTRES
Awarding Policies and Process													
Conflict of interest		A	R	R	R	R	R	R	R	R	R	R	R
ASSOCIATED POLICIES													
Awarding Policies and Process													
Risk management													
Malpractice/maladministration													
Centre recognition													
Risk management													
Centre monitoring													
Holiday/Sickness Cover													
The MD, CEO and Operations Director cover holiday/sickness and absenteeism for areas where the person is responsible for action/implementation of a task. The MD, CEO and Operations Director hold company wide experience to be able to carry out these tasks and hold no conflicts of interest.													

20. Having a conflict of interest is sometimes unavoidable and persons or Centres 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 Centre
- 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
- Acted 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

## TYPES OF CONFLICTS OF INTEREST

21. 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.

- Actual conflict of interest: Where a conflict exists between responsibilities and private interests.
- Perceived conflict of interest: Where it could be seen by others that private interests could improperly interfere with or influence responsibilities, whether this is in fact the case
- Potential conflict of interest: Where private interests could interfere with or influence responsibilities in the future.

## ACTIONS TO BE TAKEN BY CENTRES

22. **Identify Conflict of interest:** There are a few situations where conflicts of interest can arise. Examples include, but are not limited to:
- Where both training delivery and assessment roles sit within one organisation
  - An individual may have a role within a Centre which conflicts with their interests in another organisation
  - An individual may have competing personal and professional interests
  - An individual may have financial interests which potentially conflict with regulatory requirements
23. The existence of such interests as those outlined above does not necessarily imply conflict but is likely to give an appearance of conflict and as such all should be declared.
24. Smart Awards will deliver training to Centres about conflicts of interest. Centres must attend such training. Centres must then in turn, maintain a programme of training and staff awareness activities to facilitate appropriate levels of awareness and associated risks. This will enable Centres to assess and appropriately manage both perceived and real, conflicts of interest.
25. Centres need to actively and routinely, review staff and governance roles to assess the likelihood of each individual either having or giving the appearance of having, a conflict of interest. Roles might include but may not be limited to:
- Teachers
  - Trainers
  - Exam officers
  - Assessors
  - Quality assurance staff
  - Invigilators
  - Staff with access to confidential assessment materials
  - Senior staff in Centres including Governors, Managers, Directors - who can use their authority in a Centre to influence the behaviour of staff involved in assessment processes
26. The general principle is that individuals should disclose any interest, financial or otherwise, which is likely or would, if publicly known, be perceived as being likely to influence the exercise of independent judgement.
27. All Centre staff must be issued with a conflict of interest form to complete on commencement with the organisation and it must be a requirement of their contract to complete and update on an annual basis. The form is to be completed even when the individual has no conflict of interest to declare.

28. If the individual concerned has any changes to their declared circumstances concerning conflicts of interest, they must inform their line manager immediately in writing.
29. **Recording conflicts of interest:** Centres should transfer all the information held on the conflict of interest forms to a register of interests' document which is maintained by a designated person at the Smart Awards approved Centre or Smart Awards recognised provider. This should be available for review by Smart Awards upon request.
30. When changes to declared circumstances arise, the register of interests' document must be updated by the Centre so that the conflict of interest can be evaluated.
31. **Management of conflicts of interest:** The information submitted must then be evaluated by the Centre, to identify if any further action is required and a written record of the outcome of the evaluation must be kept.
32. Most situations will require no further action other than the completion of the conflict of interest form. In some instances, however, the information declared on the form will require some follow up action, for the conflict of interest to be managed appropriately.
33. The approach taken to manage the conflict of interest, will be documented by the Centre, and held with the conflict of interest forms.
34. Centres must keep all records relating to the identification, recording and management of conflicts of interest for a minimum of one year after results have been issued for the relevant assessment activity or examination series or until all certificates have been awarded. Centres need to be able to make such records available to Smart Awards upon request.
35. Smart Awards' Centre agreements set out clearly all obligations on Centres to manage conflicts of interest. It is a condition of Centre approval that Centre staff fully understand their responsibilities to identify, record, monitor and manage all conflicts of interest which is checked by Smart Awards during the Centre's annual visit. We require each Centre to make available to us its register of interests' document upon request.

## ACTIONS TO BE TAKEN BY SMART AWARDS STAFF AND OTHER THIRD PARTIES

36. **Identify Conflict of interest:** Conflicts of interest can arise in a variety of circumstances. In assessing whether there is a conflict of interest there are several factors about private interests that need to be considered. It is impossible to list every potential conflict of interest. There are a few situations where conflicts of interest can arise. Examples include, but are not limited to:
- 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
- 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 organisation
- Involved in development, delivery and awarding of qualifications

37. The existence of such interests as those outlined above does not necessarily imply conflict but is likely to give an appearance of conflict and as such all should be declared.

38. Smart Awards will deliver training to staff and third parties about conflicts of interest.

39. Smart Awards actively and routinely, review staff and governance roles to assess the likelihood of each individual either having or giving the appearance of having, a conflict of interest. Roles might include but may not be limited to:

- Board of Directors
- Responsible Officer
- Senior staff including Managers and Directors
- Staff involved in Qualification development
- Assessors
- External Quality Assurers
- Invigilators
- Consultants and contractors
- External contracts with third parties

40. The general principle is that individuals should disclose any interest, financial or otherwise, which is likely or would, if publicly known, be perceived as being likely to influence the exercise of independent judgement.

41. All staff and third parties are required to sign a conflict of interest declaration before commencing work for or on behalf of Smart Awards. It is a requirement of their contract to complete and update on an annual basis. The form is to be completed even when the individual has no conflict of interest to declare.
42. If the individual concerned has any changes to their declared circumstances concerning conflicts of interest, they must inform their Smart Awards immediately.
43. **Recording conflicts of interest:** All conflicts of interest declarations are recorded on Smart Awards Management System (SAMS).
44. When changes to declared circumstances arise, the register of interests' document must be updated by the individual so that the conflict of interest can be evaluated.
45. **Management of conflicts of interest:** The information submitted must then be evaluated by Smart Awards to identify if any further action is required and a written record of the outcome of the evaluation must be kept.
46. Most situations will require no further action other than the completion of the conflict of interest form. In some instances, however, the information declared on the form will require some follow up action, for the conflict of interest to be managed appropriately.
47. The approach taken to manage the conflict of interest, will be documented by Smart Awards.
48. Examples of actions that could be taken:
- Individual not taking part in discussions or decisions of certain matters
  - Referring certain matters for decision to others with no vested interest
  - Individual agreeing not to be involved in an activity or removal of access to certain materials
  - Individual declaring an interest at times when it is appropriate to do so
  - Referring the matter to Smart Awards for advice and guidance.
49. Smart Awards keep all records relating to the identification, recording and management of conflicts of interest for a minimum of one year.

## ASSESSING THE SITUATION

50. 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 Smart Awards and the Centre involved from any real or perceived or potential impropriety. 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 Centre involved and identify solutions appropriate to the risk level
  - Manage the conflict of interest with the cooperation of the Centre involved
  - Monitor the conflict of interest for the Centre, or until it is resolved

51. 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.

## CENTRE PROCEDURE

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

- Complaint investigations
- Information from external parties or learners
- Other sources

If a conflict of interest is not self-reported by an Centre 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.

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

- 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

54. REPORT Where a conflict of interest cannot be avoided it must be reported to Smart Awards MD or the Centres EQA.

55. MANAGE A reported conflict of interest risk is added to SAMS and the risk log. The MD of Smart Awards will identify and implement an appropriate solution for dealing with the conflict.

56. MONITOR Monitoring the conflict is essential to ensure that any changes are accounted for and dealt with. If there are any changes or the conflict arises again it must be reported again to ensure that it is resolved appropriately.

## SMART AWARDS PROCEDURE

57. RECORD Conflict of interest disclosure is raised through Smart Awards and recorded on SAMS

58. ASSESS The MD undertakes a risk assessment of the disclosure and in doing so, considers the likelihood and consequence of the:

- 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 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 external parties
- Other sources

If a conflict of interest is not self-reported by the 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.

60. MANAGE Once a conflict of interest is reported the risk is added to the risk log and recorded on SAMS. Smart Awards will identify and implement an appropriate management solution for dealing with the conflict by applying either a restrict or relinquished action.

61. MONITOR The disclosure is monitored and reported to the Board quarterly. Monitoring the conflict is essential to ensure that any changes are accounted for and dealt with.

- All potential conflicts of interest are recorded on SAMS
- 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

## RESTRICTED AND RELINQUISH ACTIONS

62. Restricted action is most appropriately applied when the conflict can be effectively separated from parts of an activity or process including restricting the:

- Involvement in critical criteria setting or decision making
- 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.

63. Relinquished 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 Centre
- Gifts are given to charitable organisation
- Remove approval status of Centre
- Remove contractual status
- Disciplinary action of employee

## INCIDENTS AFFECTING CENTRES OR LEARNERS

64. Smart Awards has identified the following as potential incidents that could have an Adverse Effect on learners:

- Learners made redundant before assessment complete. In this instance Smart Awards will work with the Centre, to establish if assessment opportunities can be found to enable the learner to complete their qualification.
- Approved Centre ceases trading. In this instance Smart Awards will work with other Approved Centres to see if the registrations can be transferred.
- 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.

65. All incidents will be logged and maintained on Smart Awards risk log to ensure the issue is highlighted managed and mitigated against.

## NOTIFICATION TO THE REGULATORS

66. All adverse effects are reported to the regulators (Ofqual or SQA Accreditation using the following form which is documented on SAMS.

Title of notification:			
Raised by:		Date Raised:	
Details of notification or adverse effect:			

Title of notification:		
<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:

67. The Annexes below include documentation that Smart Awards advise Centres to use. Centres can tailor the documents or add additional elements, but the core content must be included – this is one of Smart Awards' Centre agreement requirements.

## APPENDIX 1: DECLARATION

Full Name	
Job Role	
Centre Name	
Centre Number	
Address	
Telephone number	
Email Address	
<p>Information for declaration must include:</p> <ul style="list-style-type: none"> <li>• The type of interest</li> <li>• The nature of the interest</li> <li>• A description of all parties involved in the interest (financial or non- financial) and any other relevant information, e.g. name of learner</li> </ul>	
Declaration	
<p>I declare that I will not assess, invigilate, or internally verify any candidate or their assessments if approval against the above conflict of interest is withheld by Smart Awards.</p> <p>Signed: ..... Date: .....</p>	

## APPENDIX 2 – CONFLICT OF INTEREST LOG

Centre Name					
Centre Number					
Address					
Telephone number					
Email Address					
Date submitted to Smart Awards					
Name	Job Role	Interest declared Y/N	Nature of interest	Reviewed by	Action

## PROCESS FOR SUBMITTING A DECLARATION

Process Step Description	Process	Person Responsibility	Organisation Responsibility
Centre declaration issued to Smart Awards annually	Process	Centre Manager	Centre
Staff, third party declaration issued to Smart Awards annually	Process	Individuals	Staff, third party
Declaration logged on SAMS	Process	Standards and Compliance Officer	Smart Awards
Log declarations that pose a risk added to the risk log on SAMS	Process	MD	Smart Awards

Board reviews risk	Decision	Board - holds responsibility and experience to make decisions and measured risks	Smart Awards
Mitigate risk	Decision	Board - holds responsibility and experience to make decisions and measured risks	Smart Awards
Action	Decision	Board - holds responsibility and experience to make decisions and apply suitable actions.	Smart Awards
Report to regulators if adverse effects	Process	MD	Smart Awards
Communicate risk outcome to Centre	Process	MD	Smart Awards
Lessons learned	Process	MD	Smart Awards
Keep under review on risk register	Process	Board	Smart Awards
Stop	End	MD	Smart Awards

# PROCESS FOR SUBMITTING A DECLARATION FLOWCHART

