

## Conflicts of interest policy

### Introduction

1. FDQ is committed to identifying and monitoring conflicts of interest that relate to it, or to any scenario in which it is reasonably foreseeable that any such conflict of interest will arise in future. FDQ is also committed to effectively managing conflicts of interest and in particular:
  - a) taking all reasonable steps to ensure that no conflict of interest which relates to it has an adverse effect
  - b) where such a conflict of interest has had an adverse effect, taking all reasonable steps to mitigate the adverse effect as far as possible, and correct it.
2. This policy sets out FDQ's specific approach to identifying, monitoring and managing conflicts of interest, so that it may fulfil this commitment.
3. For the purposes of this policy and in accordance with the General Conditions of Recognition a conflict of interest in relation to FDQ is where:
  - a) FDQ's interests in any activity undertaken by it, or on its behalf have the potential to lead it to act contrary to its interests in the development, delivery and award of its qualifications in accordance with its Conditions of Recognition
  - b) a person who is connected to the development, delivery or award of qualifications by FDQ 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 FDQ's Conditions of Recognition
  - c) an informed and reasonable observer would conclude that either of these situations was the case.

### Identifying potential conflicts of interest

4. All FDQ groups have a responsibility to ensure that the potential for conflict of interest is managed effectively. Any current conflicts or scenarios in which it is reasonably foreseeable that any future conflict of interest could arise, must therefore be identified and then monitored effectively. Individual members of staff are also responsible for identifying potential conflicts of interest and for bringing these to the attention of the relevant individual or committee.
5. There are three specific conflicts of interest that have been identified within FDQ's current governance structure and systems:
  - a) the potential for conflict of interest between the wider commercial activities of the FTC Board and the awarding activities specifically undertaken by FDQ

- b) the potential for conflict of interest arising from third parties (contractors/consultants) who are working on the development and/or delivery of FDQ qualifications
- c) the potential for conflict of interest arising from assessment being undertaken by assessment personnel who have a personal interest in the result of the assessment.

### **Managing potential conflicts of interest**

#### **The potential for conflict of interest between the wider commercial activities of the FTC Board and the awarding activities specifically undertaken by FDQ**

6. Conflict of interest would arise between these two functions if the rigour or professional standard of the qualifications were ever to come under scrutiny in the context of undue pressure to increase profits, reduce costs, or to benefit any other commercial interest. For this reason, the organisation has removed awarding organisation governance from the remit of the FTC Board and created the FDQ governing body (named FDQ Governance Committee) to specifically oversee and manage awarding organisation functions.
7. The FDQ Governance Committee has an independent chairman and an entirely separate membership from the FTC Board, apart from the FDQ Chairman (see below). The Chief Executive of FDQ and other FDQ groups (including the FDQ standard and quality group and the FDQ appeals panel) report directly into the FDQ Governance Committee on all awarding organisation matters.
8. The FDQ Chairman is appointed as a non-voting member of the FDQ Governance Committee in view of his/her wider commercial interests in the organisation. The FDQ Chairman will provide verbal reports on governance issues to the FTC Board. More formal written reports relating explicitly to compliance issues will be made available to the FTC Board at least once annually.
9. The FDQ Governance Committee independent chair will annually submit a report on FDQs level of compliance ahead of the Statement of Compliance being submitted.
10. Members of the FDQ Governance Committee are required to declare any potential conflicts of interest on an annual basis and at meetings if a specific issue arises. They must also comply fully with FDQs conflicts of interest policy, as must members of all other FDQ groups and senior staff. Conflicts of interest will be declared using the relevant FDQ conflicts of interest declaration form.

The potential for conflict of interest arising from third parties (contractors/consultants) who are working on the development and/or delivery of FDQ qualifications

11. Any external contractor or consultant could have a conflict of interest between the work they are doing for FDQ and their other contracts. Such contractors will be required to comply with the FDQ conflict of interest policy and ensure that any individuals working for FDQ have no conflicts in that arrangement. If such conflicts are unavoidable, measures must be taken to reduce the risk of the potential conflict causing an adverse effect. The conflict of interest and steps taken to manage it must be recorded on the FDQ conflict of interest log.

The potential for conflict of interest arising from assessment being undertaken by assessment personnel who have a personal interest in the result of the assessment

12. There is a potential for conflict of interest where examiners are marking, or Chief Examiners are moderating, scripts from learners whom they also teach. External Quality Assurance Consultants (EQACs) also have a potential for conflict of interest if they are quality assuring assessments of learners whom they also teach, or are allocated to centres with which they work in another capacity.
13. Examiners, Chief Examiners and EQACs are required to make an annual declaration of their involvement in teaching or training activities that consequently may have a conflict of interest, using the relevant FDQ conflict of interest declaration form. Completed declarations are used to ensure that, wherever possible, markers are not allocated scripts from learners that they teach.
14. EQACs will not be allocated to centres at which they teach learners, or have other connections.
15. Each centre is required to manage conflict of interest in relation to internal assessment and quality assurance under the terms of their enforceable agreement and to bring any unresolved issues to the immediate attention of FDQ, via the EQAC assigned to them.

The potential for conflict of interest arising from assessment being undertaken by independent apprentice assessors (IAA) who have been involved in the training and assessment preparation of apprentices

16. There is a potential for conflict of interest where independent apprentice assessors are assessing apprentices for whom they have also been involved in the teaching or learning.
17. There is also further potential for conflict of interest where an independent apprentice assessor has prior or existing business relationships with the apprentice's employer.

18. FDQ take all reasonable steps to ensure that independent apprentice assessors are recruited with no or limited potential for conflict of interest. At time of selection all IAA's are required to declare all potential areas for conflict of interest. If conflicts exist FDQ will take a risk based decision on whether the IAA can be selected as a contractor.
19. IAA's are required to make an annual declaration of their involvement in teaching or training activities that consequently may have a conflict of interest, using the relevant FDQ conflict of interest declaration form.
20. IAAs will not be allocated to apprentices or employers at which they teach learners, or have other connections.

### **Monitoring the management of potential conflicts of interest**

21. The management of potential conflicts of interest are monitored as follows:
  - a) current and potential future conflicts of interest are kept under review as part of the remit of both the FDQ Governance Committee and FDQ standards and quality group
  - b) reports are made to the FDQ Standards and Quality Group and ultimately to the FDQ Governance Committee as part of the self-evaluation procedure
  - c) guidance from the regulators is reviewed and the policy is updated when appropriate to comply with best practice – the policy is reviewed at least annually to ensure it remains up to date and fit for purpose.
22. Information from monitoring activities will be made available to Ofqual as part of the awarding organisation's self-evaluation procedure and on request.