

## **FDQ Conflict of interest policy**

### **Introduction**

1. FDQ sets out its Conflicts of Interest Policy in this section of the manual. To comply with regulatory requirements, FDQ's Conflict of Interest policy is made available to its external stakeholders, on the FDQ website.
2. FDQ takes all reasonable steps to manage organisational conflicts of interest, as well as those at an individual level.
3. 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.
4. This policy sets out FDQ's specific approach to identifying, monitoring and managing conflicts of interest, so that it may fulfil this commitment.
5. For the purposes of this policy and in accordance with the regulatory requirements 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 assessment products in accordance with its regulatory requirements
  - b) A person who is connected to the development, delivery or award of assessment (or has access to) products by FDQ and 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 regulatory requirements
  - c) An informed and reasonable observer would conclude that either of these situations was the case.

### **Identifying potential conflicts of interest**

6. 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.

7. 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 organisation and end-point assessment 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 assessment products
  - 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**

8. Conflict of interest would arise between these three functions if the rigour or professional standard of the assessment products were ever to come under scrutiny in the context of undue pressure to increase profits, reduce costs, or to benefit any other commercial interest. There is also potential for conflict of interest between the wider commercial activities of the FTC Board and the awarding and end-point assessment activities specifically undertaken by FDQ.

For this reason, the organisation has removed awarding organisation and end-point assessment 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 and end-point assessment organisation functions.

9. 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 CE and other FDQ groups (including the FDQ S&QG and the FDQ appeals panel) report directly into the FDQ Governance Committee on all awarding organisation and end-point assessment organisation matters.
10. 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.

11. The FDQ Governance Committee independent chair will annually submit a report on FDQ's level of compliance ahead of the Statement of Compliance being submitted.
12. 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 FDQ's 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.
13. FDQ will not collude with other EPAOs, providers, employers and any other organisation in the delivery of end-point assessment FDQ will not enter into agreements with organisations circumventing the requirement for the employer to select the EPAO and for separate and independent assessment.
14. The potential for conflict of interest arising from third parties (contractors/consultants) who are working on the development and/or delivery of FDQ assessment products is controlled by the use of relevant FDQ conflicts of interest form. 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 record. FDQ staff and contractors are also responsible for informing FDQ, on an on-going basis, of new conflicts of interest.
15. There are some situations where a person with a personal interest in a learner/apprentice will be involved in assessment activities for example the employer may be the only suitable person to safely assess a learner/apprentice, or the EPA Plan may specify that they must be involved in assessment. In any such cases, FDQ will comply with the requirements of the EPA plan and condition EPA1.1. Any assessment conducted by a person known to the learner/apprentice must also be subject to scrutiny by another person.
16. FDQ does not operate in partnership with other AOs or EPAOs. FDQ does not allow Independent Examiners from any other EPAO to undertake assessments on its behalf. If any situation arises where FDQ must enter reciprocal learner/Apprentice assessment arrangements with another organisation, FDQ will take all steps to avoid an Adverse Effect.

17. Where a conflict of interest has had an Adverse Effect, FDQ will take all reasonable actions to mitigate and as far as possible correct it.
18. There is a potential for conflict of interest where examiners are marking, or Chief Examiners are moderating, scripts from learners/ apprentices 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/apprentices whom they also teach, or are allocated to centres with which they work in another capacity.
19. Examiners, Chief Examiners, Moderators, Internal Quality Assurers, Independent Examiners and EQACs are required to make an annual declaration of their involvement in teaching, training or other 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/apprentices that they teach.
20. FDQ takes all reasonable steps to ensure there are no financial incentives for its assessors and contractors to mark/grade/assess in such a way that a learner/apprentice may need to repeat an assessment or take longer to complete it.
21. In circumstances where it is not possible to avoid allocation of a script to an examiner who teaches the learner/Apprentice, that script MUST be moderated by an examiner who has no personal interest in the result. Where the Chief Examiner has the potential for conflict of interest, the scripts of the relevant learners/apprentices will be moderated by another Chief Examiner.
22. EQACs and Independent Examiners will not be allocated to centres at which they teach learners/apprentices, or have other connections.
23. 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 for qualifications, or Independent Examiner assigned to them for end-point assessments.

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

24. The management of potential and actual conflicts of interest are monitored as follows:

- a) Actual and potential future conflicts of interest are recorded and kept under review as part of the remit of both the FDQ Governance Committee and FDQ S&QG
  - b) Reports are made to the FDQ S&QG 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 periodically to ensure it remains up to date and fit for purpose
  - d) Credible concerns regarding conflict of interest are investigated.
25. Information from monitoring activities will be made available to regulators as part of FDQ's self-evaluation procedures and on request.