



Conflict of Interest Policy (Summary)

Contents

Overview.....	1
Who is this policy for?.....	2
Policy Scope.....	2
Purpose.....	2
Roles and Responsibilities.....	3
Associated Policies.....	4
Limitations.....	4
Defining conflicts of interest.....	4
Our commitment to managing conflicts of interest at PAL.....	2
Individual conflicts of Interest.....	3
Third Party Conflicts of Interest.....	3
The impact of Conflicts of Interest.....	3
Identifying a potential conflict.....	4
Investigation.....	5
Investigation Timeframes.....	5
Investigation Decision and Conflict Mitigation.....	5
Adverse Effects.....	8
Review.....	8
Regulatory References.....	8

This is a policy summary. PAL's full policy is available on request

Overview

PAL's conflict of interest policy defines potential areas of conflict of interest that PAL in its normal work activities could face and it describes how we would respond and mitigate such conflicts of interest.

A conflict of interest is a situation in which an individual, or organisation, has competing interests or loyalties. In the case of an individual, the conflict of interest could compromise or appear to compromise their decisions if it is not properly managed.

Where there is any conflict between this policy and procedures and relevant legislation or regulations, the legislation or regulations shall have precedence.

A consequence of a non-declared conflict of interest can be an *adverse effect*, as defined by the Qualifications Regulator, and as such must be taken very seriously.

Who is this policy for?

The conflict-of-Interest procedures will apply to everyone involved in the design/development, delivery, and award of PAL's end-point assessment service, including:

- PAL Advisory Group Members
- Senior Management team (Managing Director; Qualifications Director; Business Operations Director; Audit and Compliance Director; EPA Managers and Quality Manager and Resource and Development Lead)
- All End-Point Assessors (EPAs) (Associates and Employed Assessors)
- All EPA administrative staff
- Audit and Compliance team,
- Internal Quality Assurers (IQA) (Associates and Employed IQAs)
- Resource Development Team
- Stakeholders to include Apprentices, training providers, and Employers
- Consultants and technical advisors
- Stakeholders to include government agencies and regulatory bodies
- Centres and third parties (employers and providers)
- Third party suppliers commissioned for test design

Policy Scope

This policy covers all PAL's end-point assessment activities and is also applied in respect of how we conduct audit and compliance consultancy work.

The policy should be read in conjunction with PAL's commissioning, competition and maladministration and malpractice policies, alongside PAL's suspension and sanctions policies.

PAL's packaging policy makes clear, how PAL avoids the packaging or bundling of our services, that could be regarded as a form of conflict or collusion.

PAL's second job role policy details what information PAL will require and the authorisation process for allowing PAL employed personnel the opportunity to have roles outside of PAL.

Purpose

The purpose of this policy is to protect PAL's integrity as a business and the veracity of the qualifications (apprenticeship standards) and end-point assessments, facilitated by PAL by minimizing the potential of conflicts of interest that could undermine assessment validity and cause doubt in assessment outcomes.

The Policy is designed to support our staff, associates, consultants/technical advisors, Centres¹ and Advisory Group members by providing guidance on handling possible conflicts of interest that may happen because of our role as an end-point assessment organisation (EPAO). This policy:

- Defines what is meant by conflict of interest
- Describes conflict of interest in working with, or for an EPAO
- Sets out the actions and responsibilities for identifying, mitigating, managing and monitoring conflict of interest and associated adverse effects

This policy is available on the PAL website.

¹ Centres are defined by PAL as "an organisation that administers the delivery of, or invigilates, an assessment without a PAL representative in attendance. PAL as an EPAO only confers centre status on any organisation we work with in isolated and infrequent cases, preferring to oversee all assessments directly.

Roles and Responsibilities

It is the responsibility of all those within the scope of the policy to ensure they are familiar with what constitutes a conflict of interest, how to declare such an interest, and to be aware of the consequences of not declaring (the declaration process is detailed later in this policy).

The ultimate responsibility for the content and circulation of this policy and the management of potential and actual conflicts rests with the PAL Board. The Business Operations Director is responsible for ensuring this policy is updated in line with the relevant conditions and guidance from the regulator, the ESFA and IfATE

Directors are responsible for communicating this policy to all Centres, suppliers and third parties within their area of responsibility and within the scope of the commission, service level agreement or contract they lead or issue.

Directors are responsible for communicating this policy to their Managers. Managers are responsible for communicating this policy to all relevant individuals within their areas of responsibility, ensuring that appropriate guidance and training regarding the identification and reporting and recording of conflicts, aligns with this policy.

The Quality manager and the quality team are responsible for identifying and reporting any assessment conduct, (identified through quality assurance activities) that constitutes or is perceived as a conflict of interest in the assessment delivery and award stages of the end-point assessment process.

The Resource Development Team are responsible for identifying and reporting any conflict of interest or perceived conflict of interest during the design and development phases of the end-point assessment process.

The identification and management of organisational conflicts is overseen and managed by the PAL Board of Directors.

The identification and management of conflicts in connection with PAL staff (employed or contracted), Centres and third parties is overseen and managed by the Business Operations Director.

All conflicts of interest, including the outcomes of investigations, are recorded in PAL's governance system.

PAL personnel and associates are required to complete a monthly conflict of interest declaration. The declaration request is issued by the EPA Managers, and they monitor returns, and they advise the appropriate Investigation lead, as described later in this policy of any concerns as a result of these declaration returns.

As conflicts may manifest as acts of maladministration or malpractice, these events will be addressed in accordance with PAL's maladministration and malpractice policy and reported separately in PAL's governance system. The Business Operations Director (BOD) is responsible for the oversight of the maladministration and malpractice reporting, and PAL's quality manager is responsible for the maintenance and updating of such reports.

PAL's Responsible Officer and in their absence the Deputy Responsible Officer will regularly review all reports associated with governance, maintenance, and reporting responsibilities. PAL's Director of Audit and Compliance can also request information and undertake audits on any aspect of PAL's governance reporting.

The active involvement of the Directors and Responsible and Deputy Responsible Officer, demonstrates the importance the PAL Directors place on safeguarding reliable assessment outcomes, alongside a pro-active approach to identifying any competing interests.

Our conflict-of-interest procedures are supported by confidentiality agreements with associates, Consultants/Technical Advisors, Advisory Group Members and employed personnel. PAL also undertakes business interest checks with key individuals within the organisation.

Service level contracts with Training Providers and additional approval agreements with Centres refers to good industry practice, and the requirement to declare conflicts of interest, as well reference to intellectual copyright and confidentiality of information and data.

Associated Policies

- Maladministration and Malpractice Policy
- Appeals and Enquiry Policy
- Whistleblowing Policy
- Confidentiality Policy
- Plagiarism and Cheating Policy
- Invigilation Policy
- Special Considerations and Reasonable Adjustments Policy
- Suspensions and Sanctions Policy
- Sanctions Policy

Limitations

PAL cannot pre-empt when every conflict of interest is likely to arise, or detail within this summary policy, every type of conflict that exists in the design/development, delivery, and award of endpoint assessment.

PAL has a robust policy and procedure to minimise, identify and mitigate any potential or actual conflicts of interest, our full policy is available on request.

However, there are some circumstances where any type of conflict of interest is forbidden:

- **Condition A8.3 prohibits anyone with a personal interest in the outcome of an investigation into potential malpractice from carrying out investigations of suspected or alleged malpractice- see Maladministration and Malpractice policy**
- **Condition G4.6 prohibits anyone with a personal interest in the outcome of the investigation into potential breaches of confidentiality from carrying out investigations of suspected or alleged breaches of confidentiality- see confidentiality policy**
- **Condition I1.2 prohibits anyone with a personal interest in the decision being appealed from taking decisions on that appeal- see PAL's appeals and enquiry policy**

Defining conflicts of interest

The over-arching goal of PAL is to provide an end-point assessment service that fairly reflects how apprentices have met the knowledge, skills and behaviours as detailed in a specific standard and assessment plan. All PAL employees, associates, consultants/technical advisors, advisory group members, partners, Centres, suppliers and third parties, should put this goal first, in the context of declaring any potential or actual interest.

The regulator Ofqual defines conflicts of interest as “when an organisation or an individual has competing interests, which might impair its, or their ability, to make objective, unbiased decisions”.

Ofqual also state that their Conditions do not impose a general prohibition on an awarding organisation/EPAO operating when conflicts of interest exist. Rather, they require awarding organisations/EPAOs to identify, monitor and manage those conflicts of interest with a view to preventing any Adverse Effect that might arise from them, and to minimise any Adverse Effect should one nonetheless occur.

Any individual or organisational activity that could affect our ability to design/develop, deliver and award impartial and unbiased end-point assessment; or impact public confidence in our organisation and/or apprenticeship standards and their associated end-point assessment, is regarded as a conflict of interest.

Conflicts of interest can be on a personal or organisational level, and can be:

- **Perceived, Potential, or Actual**
- **Specific or non-specific**
- **Financial or Non-financial**
 - **An interest is 'specific' if it refers directly to the matter under discussion / assessment or review**
 - **An interest is 'non-specific' if it does not refer directly to the matter under discussion / assessment or review**

A comprehensive chart of examples of conflict of interest are provided in appendix one, alongside methods to minimise conflicts of interest.

Our commitment to managing conflicts of interest at PAL

We will:

- Make sure that when one part of PAL creates and follows a procedure, it does not conflict with our regulatory responsibility as an End-Point Assessment Organisation (EPAO).
- Assess and manage whether a conflict of interest may occur during any team restructure or changes to job roles.
- Review our processes regularly (at least annually) to make sure that all conflicts of interest or potential conflicts of interest are managed and resolved.
- Encourage all personnel to discuss and seek clarification regarding conflicts of interest and have a process of declarations that are responsive and address a diverse range of potential conflicts.
- Have service level agreements, confidentiality agreements and conflict of interest declarations with our assessment associates, and consultants/technical advisors that make clear and set out the obligations on them to manage conflicts of interest arising from other activities that they undertake or connections they may have.
- Have contracts of employment, job descriptions, confidentiality agreements and conflict of interest declarations with PAL employed personnel that make clear and set out the obligations on them to manage conflicts of interest arising from other activities that they undertake or connections they may have.
- Have service level contracts in place with Training Providers and Colleges that make clear and set out the obligations on them to manage conflicts of interest arising from other activities that they undertake or connections they may have, as well as ensuring access to this policy.
- Have guidance for apprentices and employers that outlines the importance of declaring any conflicts of interest and the need to assure safe and reliable apprentices assessments
- Have a commissioning policy, to include sign-off and contracting procedures that supports open tendering and best value.
- Make sure that procedures and processes are in place to safeguard assessment instruments and materials.
- Make sure that training of apprentices is independent and distinct from end-point assessment.
- Provide training regarding conflict of training provided during induction and on-going training and briefings.
- Make available information and guidance from our EPA team and supporting information such as PAL's EPA manual and Quality Assurance Manual and essential policies that articulate roles, responsibilities and expectations of all stakeholders involved in supporting the apprentice to gateway, as well as articulating how PAL will undertake EPA.

Individual conflicts of Interest

PAL's training of personnel, augmented by contracts and/or service level agreements, and confidentiality agreements, makes it clear as to how PAL defines conflict and the action for any individual to take, if they wish to discuss concerns in regard to perceived or actual conflicts.

The declaration process assists with awareness raising, identification, investigation, prevention, or mitigation processes and helps PAL to embed conflict of interest management into all areas of our work. Given prevention and mitigation is a cornerstone of conflict-of-interest management, examples of methods to prevent and mitigate include:

- No assessor (employed or freelance associate) will be permitted to assess an apprentice that they know, have trained, or are related to.
- If an assessor has worked with or for the training provider or employer of the apprentice, but unrelated to the apprenticeship training, PAL will carry out an investigation to determine the level of involvement, which may be a block on their involvement, the attendance of an observer, or additional sampling.
- No member of PAL personnel will be solely and directly responsible for making any request for an apprenticeship certificate, the assessors present their assessment decisions results and overall grade; the quality team verify the grading decisions and results and notify the EPA support team of the quality assurance decision and grades to be awarded. The EPA team is responsible for making certification requests to the relevant external agency.
- Policies such as PAL's appeals and enquiry and maladministration and malpractice policies, emphasis the need for independence in any review, investigation, and decisions in such instances.
- Requests for reasonable adjustments and special considerations are scrutinised by the quality team and all such requests are recorded by the quality team and all Directors (which includes the Responsible Officer) have access to these reports, for the purpose of data analysis and self-evaluation and internal audit activities
- All PAL assessors (employed and associates) and IQAs (employed and associates) will disclose any potential personal interest in the assessment of any apprentices that they have a part in requesting certification. This will ensure compliance with regulatory conditions A4.5 and A4.6.
- Assessment activities are quality assured in accordance with the quality assurance policy and procedures, which include the implementation of sampling aligned to risk banding of the assessors.

Third Party Conflicts of Interest

PAL's commissioning policy outlines a sign-off process, which minimizes the opportunity for any one Director to monopolize commissioning and contracting arrangements.

PAL's competition policy outlines acceptable conduct in regards of professional and ethical conduct regarding competition in both bidding and commissioning business. The policy demonstrates that PAL is fully supportive of free and open competition; we do not condone any activity which might prevent, restrict, or distort competition.

All suppliers and third parties are subject to contract negotiations which include conflicts of interest and confidentiality clauses.

The impact of Conflicts of Interest

Conflicts of interest can have a significant and lasting impact on the apprentice, their employer and on PAL, for example, it may result in:

- One apprentice or employer being favored over another such favoritism can include the inequitable use of reasonable adjustments, special considerations and pausing of assessments
- The design of assessment tools and materials being compromised.
- The requirements of the assessment not being delivered/met.
- Lower quality, unreliable quality assurance and sampling.
- The validity and reliability of assessment decisions being compromised.
- Apprentices not being fully competent in their job role creating a risk to their employer and their business.
- Damage to the reputation of PAL.

- Damage to the image and reputation of apprenticeship standards and their associated end-point assessment.

Because Conflicts can be so wide ranging, and the impact / adverse effect so significant, we have a range of policies that support professional conduct and alignment to the conditions, governing the operations of an EPAO. Examples include the commissioning policy, confidentiality policy, fraud policy, competition policy, malpractice and maladministration policy, risk, and incident management policy, working from home and code of conduct policy business continuity policy and plan all of which serve to minimise the potential for conflict of interest across our service.

Additionally for EPA activities, PAL has assessor protocols that describe how PAL expects assessors to conduct themselves for all end-point assessment activities and all independent assessors are subject to assessor grading which tracks assessment compliance to the assessment plan requirements and policy and Ofqual conditions adherence.

Identifying a potential conflict

We have a range of methods to identify potential conflicts of interest:

- Recruitment- checks of CVs, employment histories and references and a range of self-declaration checks, as detailed in our recruitment policy
 - Contracts
 - Checks of staff (employed and contract), and advisory group member CVs and employment histories upon recruitment
 - Staff contracts of employment refer to declaring conflicts of interest
 - Associates and Consultants/ Technical Advisors Service Level Agreement refer to data protection, confidentiality, and ownership of intellectual property
 - Confidentiality agreements for employed personnel, advisory group members, and associates will be renewed on annual basis. For consultants/technical advisors, unless used on a frequent basis in the period of 12 months, they will be asked to sign a confidentiality agreement for each separate commission.
 - Conflict of interest checks at recruitment- PAL requests a declaration even for a null return
 - Conflict of interest declarations- All persons involved with PAL are encouraged to discuss any potential or perceived conflicts of interest. Conflicts can be submitted via the email address declaration@professionalassessment.co.uk or in person to line managers or to the Business Operations Director, using the declaration form
 - All staff and associates in addition to being able to raise and discuss any concerns regarding conflict of interest, complete a monthly conflict of interest declaration
 - All employed personnel and assessor associates are required to update their conflict of interest declarations on a monthly basis
 - Business Interest checks for PAL key personnel and PAL's Advisory Group Members undertaken on an annual basis
 - Standing agenda item (checks for conflicts) at Directors and managers meeting and Advisory Group meetings
 - Notification/reporting via email, phone or in person for third parties, centres, and other stakeholders
 - Gathering of intelligence regarding providers and employers PAL works with, as part of PAL's account management process
 - Checks for any missing or incomplete declarations or non-disclosure/confidentiality agreements – this could indicate that there may be a potential conflict that has not been disclosed
 - Identification via quality assurance sampling of assessments, observation of assessment practice, feedback from stakeholders and quality assurance follow up scrutiny checks
 - Reporting (which can be confidential whistleblowing)
 - Reviewing policies, procedures, and processes to ensure they support valid, consistent, accessible, and reliable assessment and testing key staff on their understanding of policies and procedures
 - Reviewing job descriptions to ensure functions allow for demarcation of operations and quality assurance

- Gateway - as part of the gateway validation and assessment planning process, will ask for apprentice ID authentication and inquire about the independence of the employer's involvement or relationships.

Investigation

Investigation Timeframes

In some instances, a conflict of interest will immediately present as a potential or actual adverse effect, in which case these will be immediately reported to the RO or DRO. If the RO or DRO judges the conflict does not present a potential or actual adverse effect, PAL will continue with any investigation in-house and report the outcomes and actions taken, but it will not inform the regulator.

If the conflict presents as a potential or actual conflict of interest that could or has caused an adverse effect, the regulator will be informed, even if PAL's investigation is incomplete. In such a case the RO or DRO will establish the facts, what stage the investigation is at; what actions have been taken and what is outstanding as part of the investigation. In these cases, the timeframe will be adjusted to meet the recommendations or requirements from the regulator.

For most conflicts, an investigation, will be straightforward, as a declaration will have been made, so resolution interventions should be agreed and implemented within a **15 working days timescale**. A discussion should take place, and the purpose of the discussion is to decide on how the conflict will be managed. The circumstances of the disclosure will dictate who is involved in the discussion and whether it is necessary to report to the regulator.

If a conflict of interest investigation is likely to exceed the 15 working days timescale this will be reported in the PAL governance system and where required a timeline will be agreed with the regulator and in these instances the RO will work with the investigation lead and individual signing off the investigation to ensure agreed timescales are met.

Investigation Decision and Conflict Mitigation

The overriding principle when judging how best to mitigate against a conflict of interest, will be to achieve a fair assessment for the apprentice (learner). PAL's approach to quality assurance, along with this policy, maladministration and malpractice and confidentiality policy demonstrate PAL's commitment to operating a reliable assessment offer.

Depending on the outcomes of the investigation, the mitigation may include:

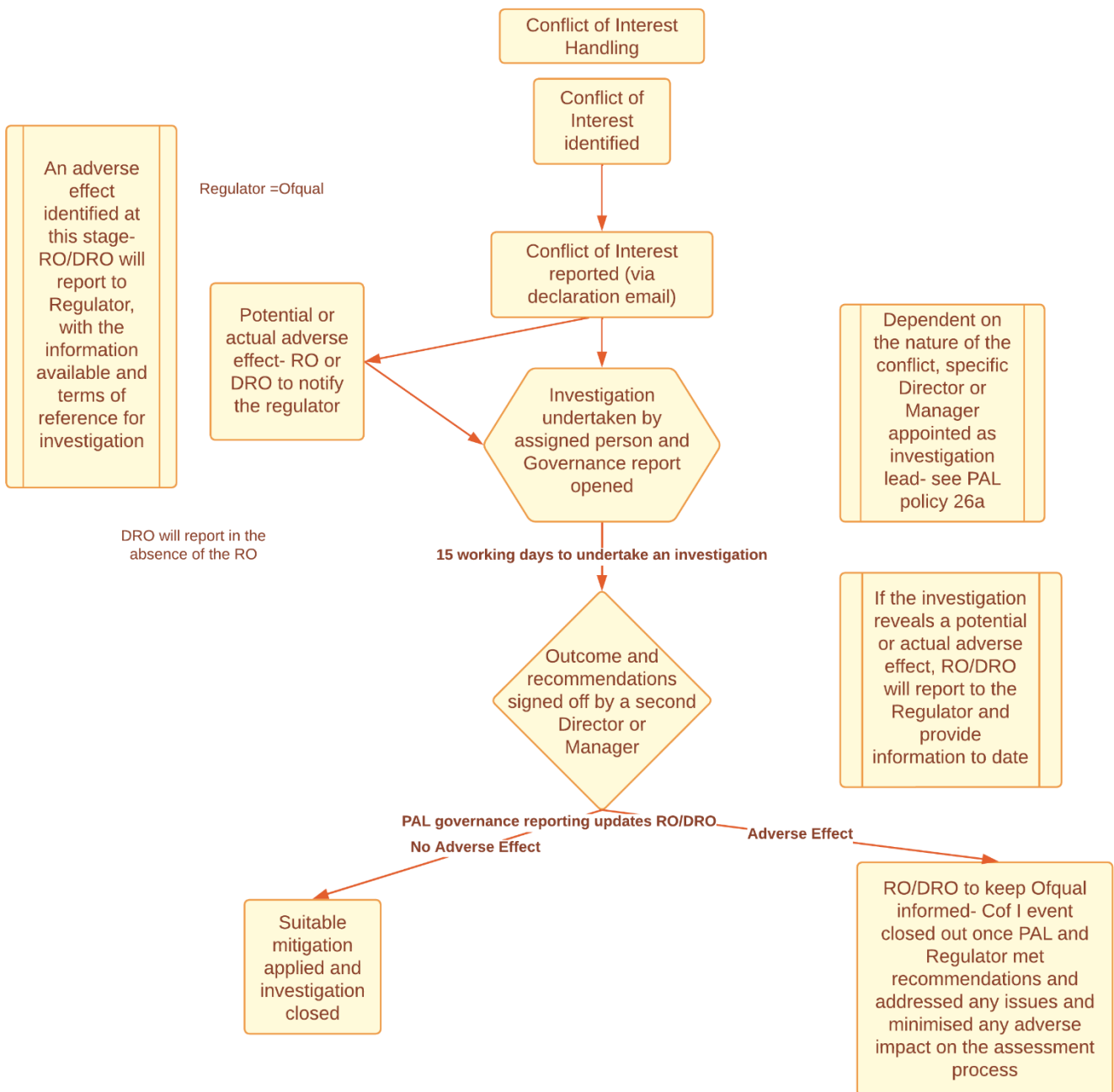
- Changing the assessor/IQA for a specific client or site.
- Changing the experts being used to design assessment tools and materials.
- Identifying the assessor has high risk, resulting in additional scrutiny. This may be:
 - Increased sampling or monitoring of work in case of assessors and for IQAs, increased oversight by the Quality Manager.
 - Countersigning of assessment decisions or a review to ascertain if any assessment decisions can be used and extrapolated to make an overall assessment decision or re-assessment.
- For assessment instrument design, mitigation may include the removal or permanent retirement of such assessment instruments and new instruments developed and tested by individuals not involved in the conflict breach
- Suspension from duties (because of the investigation or on-going) in the case of any PAL personnel, if the decision is the conflict of interest was knowingly withheld and the nature of the conflict of interest, undermined, or had the potential to undermine assessment integrity and was evaluated as an adverse or potentially adverse effect, suspension is an option PAL will consider and take. Notification would be made to the regulator in these circumstances
- If the conflict involves a third party /stakeholder and they are unwilling to put into place appropriate safeguards, PAL will consider its relationship with the client and review our options, in addition to reporting to relevant regulatory bodies, concerns regarding conflict of interest.

Any mitigation will be proportionate to the nature of the conflict, and the decision about how the conflict is managed is final and is signed off by the appropriate person as detailed in the investigations section of this policy

- 1. Conflict outcome:** Will be reported in PAL’s governance system and the relevant personnel will be accountable for ensuring any action agreed is implemented.
- 2. Monitor and Review:** Conflict of interest declarations are monitored by the investigation lead and individual assigned as the sign-off, as well as the RO and DRO to ensure appropriate action is undertaken and to remove or mitigate the conflict.

Where, having taken all reasonable steps, an assessment, or element of an assessment can only be undertaken by a person where a conflict of interest has been identified, all associated assessments will be sampled by the IQA team in line with the risk presented, by the conflict.

All assessment outcomes and grades, associated with the specific assessment standard and apprentice will be compared to establish that assessment outcomes are reliable and consistent, and outcomes will be compared with outcomes achieved by comparable apprentices and standards.



Conflict of interest investigations can include:

- Interviews with the declarer
- Discussions with any involved parties
- Companies/Business Interest searches
- Request for evidence to support claims

Investigations involve a two-tier sign off so the following sign off process is followed

Investigation Lead	Sign off
➤ The BOD will undertake any conflict-of-interest investigations for suppliers/partners	Managing Director
➤ The Qualifications Director (QD) will undertake any conflict of interest investigations for the Resource Development team and Consultants/TAs commissioned specifically for design and development work	Business Operations Director
➤ The DAC will undertake any conflict-of-interest investigations for consultants/TAs commissioned for work that is not related to EPA activities	Director not involved in the commission
➤ The DAC will undertake any conflict of interest investigations for the BOD, QD and MD ²	Subject to who is under investigation, an advisory group member can be requested to sign off on such an investigation.
➤ The MD will undertake any conflict of interest investigations for the DAC	An advisory group member can be requested to sign off on such an investigation
➤ For all other PAL personnel and assessors - conflict of interest investigations will be undertaken by EPA Managers and or Quality Manager	The BOD, in their absence the QD, who is also the RO
➤ For IQAs associate IQAs, the Quality Manager will undertake such investigations.	The BOD, in their absence the QD, who is also the RO

Where a conflict is brought to PAL’s attention by someone other than the person cited, dependent on the nature of the report, the suspension and sanction policy, maladministration and malpractice, sanctions policies may be immediately invoked and the procedures relating to these policies will be followed.

All investigations involving organisational conflicts of interest ideally will be conducted within a 15 working days timescale (a longer time period may be required if the situation is complex) and reported on and logged on PAL’s governance system.

If the conflict and subsequent investigation contains commercially sensitive information and data, the commercially sensitive information will not be linked to the relevant governance report- it will be retained securely in a dedicated folder- password protected.

Such conflicts will be reported to the Responsible Officer, and the Deputy Responsible Officer in the standard way, unless these personnel are the subject of the conflict in which case another Director or assigned senior member of

² In specific events where any actions have the potential to adversely impact the wider group, it would be incumbent on the DAC to advise the parent company

the PAL management team will undertake any ensuing investigation, with a second person signing off on the investigation

In the event of all the PAL Directors being the subject of a potential conflict of interest, the investigation and decisions will be led by the advisory group at the request of the PAL MD. Such a request will be reported as an exceptional report on the PAL governance system and cited in the next Advisory Group meeting. The MD will ask one of the Advisory Group members, or if such members are not deemed suitably independent, the MD will commission an experienced independent investigator who can lead on the investigation and oversee the production of a report which covers: the nature of the conflict, the discussions, and the actions taken to mitigate and the impact of such actions and recommendations to resolve the situation.

Where a Director (who acts as either the RO or the DRO) is subject to being the cause of a potential or actual adverse event, a Director who is a member of the regulation team will report the event to the appropriate regulatory bodies, using the approved channels of communication.

Where a conflict of interest does not involve a Director but has the potential to cause an adverse effect, or has resulted in an adverse effect, either the Responsible Officer or the DRO in the RO's absence will report such an event to the relevant regulatory bodies and agencies.

Adverse Effects

If a conflict, as described, presents as a potential or actual adverse effect, this will be reported to the RO (or the DRO in their absence) within 48 hours of receipt³, who will notify the relevant regulators. In such circumstances the maladministration and malpractice and suspension and sanctions policy and (sanctions policy for apprentices/employers/providers) may need to be invoked.

The investigation lead and sign off process will be assigned as detailed in this policy. The RO or DRO will be kept informed, to support any communication with the regulator and other relevant agencies.

The RO or the DRO on behalf of PAL will work with any recommendations made by the regulator.

Review

The policy will be reviewed as a minimum on an annual basis.

Regulatory References

PAL is required to establish and maintain compliance with regulatory conditions and criteria. This policy relates to Ofqual General Conditions of Recognition, Conflict of Interest, Condition A4; EPA3 Notification to Ofqual certain events in relation to EPAs.

Date Created: 6th June 2017

Last Review: 03/09/2024

Next Review: 03/09/2025

Person Responsible for review: Business Operations Director

This Policy has been agreed by Linda Martin, Managing Director

³ If it is not possible to report in 48 hours, the report must be as soon as possible, so for example if the conflict of interest event was identified on a Friday afternoon, it must be reported to the RO/DRO by Wednesday midday. In most cases PAL expects the reporting time of 48 hours to be met.