



Conflicts of Interest

NOPS Policy

November 2020 V6



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STATEMENT

1. Conflicts of interest arise when there is an influence or appear to be influenced by personal and professional interests.
2. Smart Awards, individuals and organisations as well as “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 contracts
 - 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
3. Having a conflict of interest is sometimes unavoidable and individuals or organisations 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.
4. Action should only be considered where an individual or organisation
 - 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
 - Acts where there is a conflict to benefit their personal or private interests
 - Fails to cooperate in the management of a conflict
 - Fails to comply with the policy
5. The risks associated with conflicts cannot always be eliminated. Smart Awards operates a system that captures and minimises risks to an acceptable level.

RESPONSIBILITIES

6. This policy is for use of the Network Operative Passport System (NOPS). This policy is for individuals and organisations recording and accessing individual information stored on NOPS. 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.

7. Managing conflicts of interest is a shared responsibility that requires Smart Awards to work together with individuals or organisations involved with any activity connected with Smart Awards Network Operative Passport Scheme (NOPS) resources and services, to identify and implement solutions to resolve the conflict. 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.
8. 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 or organisation involved and identify solutions appropriate to the risk level
 - Manage the conflict of interest with the cooperation of the individual or organisation involved
 - Monitor the conflict of interest for the individual or organisation, or until it is resolved
9. 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.

ADVERSE EFFECT

10. An act, omission, event, incident, or circumstance has an adverse effect if it: -
 - Gives arise to prejudice to any party or otherwise adversely effects:
 - The ability of an organisation to undertake their core business activities
 - The standards of the products or services which the organisation makes available or proposes to make available or
 - Public confidence in that organisation

TYPES OF CONFLICTS OF INTEREST

11. 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.
 - 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

12. 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
- 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
- Has an interest in a family or private business
- 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
- Enters into a financial or operational agreement with an organisation or individual in which there is a vested interest
- Accepts gifts from others to promote their interests within the organistaion

13. 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.

RESPONSIBLE STEPS TO AVOID A CONFLICT

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:

- 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 to Smart Awards.

MANAGE Once you have reported a conflict of interest the risk is shared with Smart Awards. The Managing Director 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.

PROCESS FOR DEALING WITH A CONFLICT

RECORD Conflict of interest disclosure is raised and submitted to the MD for clearance.

ASSESS The MD undertakes a risk assessment of the disclosure and in doing so, they consider 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 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

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.

- 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

REVIEW OF THIS POLICY

14 This policy is reviewed and revised annually in response to feedback, changes in legislation and guidance and from other appropriate organisations.