

BEDFORDSHIRE NATURAL HISTORY SOCIETY – CONFLICTS OF INTEREST POLICY

Background

The Charity Commission's guide on conflicts of interest (CC29) highlights that conflicts of interest can affect charities of all types and sizes, potentially leading to decisions that are not in the best interests of the charity, invalid or open to challenge, or damaging to a charity's reputation.

A conflict of interest is any situation in which a trustee's personal interests or loyalties could, or could be seen to, prevent the trustee from making a decision only in the best interests of the charity.

The Charity Commission notes that conflicts of interest usually arise where either:

- there is a potential financial or measurable benefit directly to a trustee, or indirectly through a connected person; or
- a trustee's duty to the charity may compete with a duty or loyalty they owe to another organisation or person (e.g. a family member or employer).

The BNHS trustees will continue to have regard to legal requirements and to Charity Commission guidance on conflicts of interest and on good decision making.

Potential conflicts of interest

The Society is run by volunteers and does not employ staff or provide contracted services. The Society's rules include two provisions which limit the potential for conflicts of interest, namely that:

- no member may receive direct or indirect payment from the Society for services, other than for expenses approved by the Council;
- no member may commit the Society to any course of action or express views in the name of the Society without prior Council approval.

Conflicts of interest might nonetheless arise when a trustee or member, or one of their relatives, business associates or friends, could benefit directly or indirectly in circumstances such as if:

- use of Society funds (e.g. a grant) brought direct financial benefit to such persons;
- a Society decision brought indirect benefit to such persons (e.g. increasing their status within an organisation);
- the Society takes a public position which might directly or indirectly benefit such persons (e.g. on development proposals);
- a trustee's decision was compromised, or might be perceived to be compromised, by loyalty towards a relative, organisation, or friend.

Approach to managing conflicts

The Society's approach to managing potential conflicts involves:

- potential conflicts of interest being identified in each Council meeting, including issues where a conflict may simply be perceived by others;

- deciding whether potential conflicts of interest are low, medium or high risk;
- where a trustee is potentially conflicted, deciding whether they should withdraw from Council discussions or decisions; and
- recording all potential conflicts of interest, and how they were handled, in the minutes of each meeting;
- clear criteria for the BNHS grant scheme, which ensure that decisions are taken on merit;
- [maintaining a list of trustee interests – this is recommended by the CC, but I’m not sure if there is much to put on a list. GH’s role at the WT would be one but I don’t know of anything else – we can discuss]

The Charity Commission’s guidance notes that there are no precise criteria for determining whether a conflict of interest is low risk, but in each case, the Society’s minutes will explain how the issue has been handled and justify the decision taken, as well as setting out any actions put in place to manage a conflict.

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