

# Trustee Conflicts of Interest Policy

## 1. Background

- 1.1. Conflicts of interest affect charities of all types and sizes. They can lead to decisions that are not in the best interests of the charity and which are invalid or open to challenge. Conflicts of interest can also damage a charity's reputation or public trust and confidence in charities generally. These harmful effects can be prevented where individual trustees can identify conflicts of interest, and the trustee body can act to prevent them from affecting their decision making.

## 2. Purpose

- 2.1. The purposes of this policy are:
  - 2.1.1. Inform Trustees of what is a conflict of interest.
  - 2.1.2. Inform Trustees of their personal duty to declare conflicts of interest.
  - 2.1.3. Inform Trustees of the process for identifying and declaring conflicts of interest.

## 3. Definitions

- 3.1. **'Conflict of interest'**: a conflict of interest is any situation in which a trustee's personal interests or loyalties could, or could be seen to, prevent them from making a decision only in the best interests of the Society.
- 3.2. **'Connected person'**: in broad terms this means family, relatives, or business partners of a trustee, as well as businesses in which a trustee has an interest through ownership or influence. The term includes a trustee's spouse or unmarried or civil partner, children, siblings, grandchildren, and grandparents.
- 3.3. **'Trustee'**: this means a charity trustee. Charity trustees are the people who are responsible for the general control of the management of the administration of the charity. BOHS Trustees are referred to as Board Members, Trustees and/or Directors. They are collectively referred to as 'the Board'.
- 3.4. **'BOHS' or 'the Society'**: How the charity, the British Occupational Hygiene Society, will be referred to going forwards in this policy.

## 4. Legal Duty

- 4.1. All trustees have a legal duty to act only in the best interests of the Society. As a trustee, you must not put yourself in any position where your duties as trustee may conflict with any personal interest you may have.

## 5. Identification of Conflicts of Interest

- 5.1. A conflict of interest exists where there is the possibility that your personal or wider interests could influence your decision making. Similarly, there is a conflict of interest where there is a benefit or a potential benefit to a connected person.
- 5.2. Examples of conflicts of interest include:

- 5.2.1. A trustee who is also a user may be faced with a decision in a Board or Committee meeting regarding whether fees for members should be increased.
- 5.2.2. A trustee is a connected person to a member of staff and there is a decision to be taken on staff pay and/or conditions at a Board or Committee meeting.
- 5.2.3. A trustee who is also on the Board or Committee of another organisation that is in a competitive position with BOHS.
- 5.2.4. A trustee who has shares in a business that may be awarded a contract to do work or provide services for BOHS.
- 5.2.5. A trustee who is a trustee of two charities planning to bid for the same service provision contract. It may mean deciding that the conflict of interest is so serious that it can only effectively be prevented by removal, which here is likely to mean the resignation of the trustee. This is only likely to be the case if the conflict of interest is likely to recur frequently or otherwise poses high risks to effective decision making.

## **6. Declaration of Conflicts of Interest**

- 6.1. Upon appointment, you will make a full, written disclosure of interests, such as relationships, and posts held, that could potentially result in a conflict of interest, using the 'Declaration of Interest' form attached to this policy. This written disclosure will be kept on file at Head Office and will be updated annually or as appropriate in the intervening period. The Company Secretary (who is the Honorary Secretary of the Society) will periodically review the Register of Interests.
- 6.2. You have an individual personal responsibility to declare conflicts of interest which affect you. As such the Commission expects there to be a standard agenda item at the beginning of each Board or Committee meeting to declare any actual or potential conflicts of interest.
- 6.3. It is also expected that you should:
  - 6.3.1. Declare any interest which you have in an item to be discussed, at the earliest possible opportunity and certainly before any discussion of the item itself.
  - 6.3.2. Declare any material interest which you have in relation to any matter relating to a BOHS Professional Register or a faculty under the British Occupational Hygiene Society.
  - 6.3.3. If uncertain whether you are conflicted, err on the side of openness, and declare the issue.
  - 6.3.4. Notify the Chair, where you are aware of an undeclared conflict of interest affecting another trustee.

## **7. Remediation of Conflicts of Interest**

- 7.1. In the case of a material conflict of interest arising in relation to any matter relating to a BOHS Professional Register or a faculty under the British Occupational Hygiene Society, the conflicted Trustee must recuse themselves from taking part in the application process.
- 7.2. In all other cases of a conflict of interests arising, the un-conflicted trustees, in deciding which course of action to take:
  - 7.2.1. must always make their decisions only in the best interests of the Society.

- 7.2.2. should always protect the Society's reputation and be aware of the impression that their actions and decisions may have on that are outside of BOHS.
- 7.2.3. should always be able to demonstrate that they have made decisions in the best interests of the Society and independently of any competing interest.
- 7.3. Considering the above, the un-conflicted Trustees:
  - 7.3.1. can request you withdraw from the meeting or the part of the meeting where your other interest is relevant to a high risk or controversial trustee decision and could inhibit free discussion and might influence decision-making of the un-conflicted trustees. You will not be counted in the quorum for that part of the meeting.
  - 7.3.2. should withdraw your ability to make or contribute to any decisions where your other interest is relevant to a high risk or controversial trustee decision or could significantly affect, or could be seen to significantly affect, your decision making.
  - 7.3.3. can allow you to participate where the existence of your other interest poses a low risk to decision making in the Society's interests or is likely to have only an insignificant bearing on the approach to an issue.
  - 7.3.4. may seek the authority of the Commission where the conflict of interest is so acute or extensive that following these options will not allow the trustees to demonstrate that they have acted in the best interests of the Society.

## 8. Making Decisions

- 8.1. In the event of the Board having to decide upon a question in which a trustee or member of staff has an interest, all decisions will be made by vote, with a simple majority required. A quorum must be attained for the discussion and decision; interested parties will not be counted when deciding whether the meeting is quorate. Interested Board Members may not vote on matters affecting their own interests.
- 8.2. All decisions under a conflict of interest will be recorded by governance professional responsible for the meeting and reported in the minutes of the meeting. The report will record:
  - 8.2.1. the nature and extent of the conflict;
  - 8.2.2. an outline of the discussion; and
  - 8.2.3. the actions taken to manage the conflict.
- 8.3. Where a trustee benefits from the decision, this will be reported in the annual report and accounts in accordance with the current Charities Statement of Recommended Practice (SORP).
- 8.4. All payments or benefits in kind to trustees will be reported in the charity's accounts and annual report, with amounts for each trustee listed for the year in question.
- 8.5. Where a trustee is connected to a party involved in the supply of a service or product to the charity, this information will be fully disclosed in the annual report and accounts.
- 8.6. Independent external moderation will be used where conflicts cannot be resolved through the usual procedures.

## **9. Recording of Conflicts of Interest**

- 9.1. Any such disclosure of Conflicts of Interests and the subsequent actions taken will be noted in the minutes of the Board or Board Sub-Committee meetings. The minutes will be appropriately redacted to ensure sensitive information is not disclosed that could place you in an untenable position.

## **10. Consequences**

- 10.1. Where you do not identify or properly respond to a conflict of interest, there can be serious legal and regulatory consequences for you and the Society. This may include:
  - 10.1.1. Any decisions made being invalidated which could be challenged by the Commission.
  - 10.1.2. the Commission is likely to regard this as mismanagement or misconduct and take regulatory action.

## **11. General Data Protection Regulations (GDPR)**

- 11.1. The information provided will be processed in accordance with data protection principles as set out in the Data Protection Act 2018. Data will be processed only to ensure that you act in the best interests of the Society.