

Conflicts of Interests Policy

This paper sets out the guidance and policies concerning Conflicts of Interests for The Basingstoke Canal Society Ltd ("BCS" or "the Company").

General

Trustees have a legal duty to act only in the best interests of the Company. They must not put themselves in any position where their duties as trustee may conflict with any personal interest they may have

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 Company. Conflicts of interest relate to a trustee's personal interests and the interests of Connected Persons. This means that there is also a Conflict of Interest where there is a proposed transaction between the Company and a Connected Person. Similarly, there is a Conflict of Interest where there is a benefit or a potential benefit to a Connected Person conferred by the Company.

Even just the perception that there is a Conflict of Interest can damage the Company. Where the perception is not accurate because there is no Conflict of Interest, the Company should always be able to respond appropriately to the situation by managing the risks and being prepared to explain how decisions were made only in the best interests of the Company.

All trustees are required to fully cooperate with the Company in any investigations undertaken by the Company in matters of Conflict of Interest.

Definitions

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 Company.

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, employment, business relationship or other influence. Connected Persons includes a trustee's spouse or unmarried or civil partner, children, siblings, grandchildren and grandparents, as well as businesses where a trustee or family member holds at least one-fifth of the shareholding or voting rights. Connected Persons also includes other trustees and former trustees of the Company.

Conflict of loyalty: this means a particular type of Conflict of Interest, in which a trustee's loyalty or duty to another person or organisation could prevent the trustee from making a decision only in the best interests of the Company.

The Committee: the group of members of the BCS elected as officers who serve as directors of the Company and the trustees of the charity, and who meet periodically as a committee.

Identifying and dealing with Conflicts of Interests

Each trustee has an individual personal responsibility to identify actual or potential conflicts of interest which affect them. In general, trustees should avoid putting themselves where there may be a Conflict of Interest, or appear to be a Conflict of Interest. In circumstances where a trustee considers it is in the interests of the Company to pursue a situation where there is an actual or potential Conflict of Interest the trustee must formally raise any such conflict with the Committee before entering into the situation. Any trustee with a Conflict of Interest must cooperate fully with the Committee in disclosing all relevant facts relating to the potential or alleged Conflict of Interest.

The Committee should consider all such Conflicts of Interest, and decide on any appropriate actions or steps to ensure that the interests of the Company are not compromised by the Conflict of Interest. The Committee should consider whether the trustee with a Conflict of Interest should withdraw from relevant meetings, discussions, decision making and votes that deal with the conflict.

Potential actions to be decided by the Committee could include:

- not appointing a particular trustee, or securing a trustee resignation;
- proceeding with the issue in a different way so that a Conflict of Interest does not arise;
- authorising proceeding with the issue but following any conditions attached to the authority which say how the Conflict of Interest should be handled.

The Secretary of the Committee of trustees should formally keep a register of any Conflicts of Interest that have been raised and dealt with by the Committee, and how they were handled.

One particular area which could be seen to be a Conflict of Interest concerns expense refunds paid to trustees. Expense refunds by a charity of legitimate payments which a trustee has had to meet personally in order to carry out his or her trustee duties do not constitute a Conflict of Interest. Any reasonable costs that allow trustees to carry out their duties can be classed as legitimate expenses and can be reimbursed from the Company's funds. In the interests of transparency and clarity, such expense reimbursement claims must include some form of formal claim in confirmation that the expenses are incurred wholly and necessarily for the benefit of the Company, and be accompanied by appropriate supporting documentation.

Date of Review: July 2025

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