

MALVERN HILLS CONSERVATORS
Governance Committee
Manor House, Grange Road, Malvern
Thursday 23 February 2017, 6.30 pm

Present: Mr R Bartholomew, Dr S Braim, Mr D Bryer, Mr S Freeman (ex officio), Mr C Penn, Professor J Raine, Ms S Rouse, Ms H Stace.

In attendance: Director, Secretary to the Board, Mr M Davies, Mr C Rouse, Mr T Yapp.

1. APOLOGIES FOR ABSENCE

Mr Hall-Jones.

2. CHAIR'S ANNOUNCEMENTS

Tony Johnson had resigned from the Board.

3. DECLARATION OF INTERESTS

Ms Rouse declared an interest in the HLS scheme.

4. Matters Arising from the meetings held on 5 January 2017

There were none.

5. Approval of Conflict of Interest Policy

Some minor drafting amendments had been proposed by Con Alexander prior to the January Board meeting, and subsequently some further slight amendments had been included in response to a point made by Mr Davies.

Committee members drew attention to some typographical errors, which were agreed. Mr Penn asked about the final sentence of 3.6.1, and whether the obligation was absolute. The Secretary to the Board said that she would refer the matter back to Con Alexander. The Committee also agreed to insert "for clarification" at the start of clause 5.5.2.

Prof Raine drew attention to the E-mail which had been circulated by the Secretary to the Board, containing a memo from Roger Hall-Jones, expressing his disquiet about the policy, and the legal advice she had received upon it. Following consideration of the points raised, the Committee agreed that there was an obligation, as a matter of good practice, for MHC to have a policy to establish how conflicts of interest, including conflicts of loyalty, should be dealt with and the policy as drafted accorded with the Charity Commission guidance and the advice received. The policy did not seek to impugn the personal integrity of Board members but addressed the important issue of public perception.

The Secretary to the Board pointed out that in her E-mail, she had reported her discussions with Con Alexander about the option of looking at each instance of conflict of loyalty on a case by case basis. The Committee agreed that this would

not be practical, as it would lead to rehearsing the arguments on numerous occasions, which would slow down business and make the issue personal to the conflicted member. The policy provided guidance in 3.5.2 on cases where it was clear that a substantive conflict arose, in which case the member should leave the meeting for the vote, but it also provided a mechanism in 5.6 for resolving whether a conflict of interest arose, and how to deal with it, in other instances. The document was not irrevocable and if it was found that it produced absurd results it could be revisited.

It was also suggested that the policy should be accompanied by a very rigorous protocol for declaration of interests, with a reminder of each Board member's relevant interests accompanying every agenda. It was suggested that Board members should be reminded at each meeting of the need to update their register of interests if their circumstances had changed.

On the proposal of Mr Bryer, seconded by Mr Bartholomew it was unanimously **RESOLVED** to recommend to the Board the adoption of the Conflict of Interest Policy (subject to the amendments agreed).

6. Charity Commission Scheme

Prof Raine thanked everyone for attending the very helpful consultation meetings. He went through the papers circulated with the agenda. There had generally been a high degree of unanimity, but the majority of the time had been spent on discussing the way in which Board members should be appointed. Further development of the ideas arising from the consultations was dependant on receiving legal advice on whether changes could be made to the electoral arrangements, to reduce the number of elected members.

Another point which had been raised was making a financial case for the Scheme. Prof Raine, together with the Director had put together a document setting out some illustrative figures, detailing what financial advantage might be gained from the changes proposed for the Scheme. The Director said that the list was not intended to be comprehensive, and the figures were best estimates. The main point was that the Scheme would create a lot of opportunity that was not currently available to MHC.

Ms Stace questioned whether there was a risk, in seeking to alter the electoral arrangements, of prompting questions about the precept. Mr Penn reported that he had undertaken some research on the Worcestershire Wildlife Trust and understood that they had around 20,000 members, paying between £50 and £100 per year. He felt that MHC should be able to engage with the enthusiasm present in the county for the natural environment and the ability to create a membership organisation was a very important part of the Scheme.

On the proposal of Mr Penn, seconded by Mr Bartholomew it was unanimously **RESOLVED** that the Committee recommended to the Board:

- a) setting aside a designated fund of £100,000 for the cost of the Charity Commission Scheme

- b) that the Board should give the go –ahead to proceed with the preparatory work (including legal advice, preliminary consultations and drafting) in connection with the agreed elements of the Scheme, to be funded from that reserve (for the time being not to include work on any new Board structure or methods of appointment of Board members other than to seek legal advice on the options available in relation to these)
- c) There should be a report on progress and expenditure at each Board meeting.

7. URGENT BUSINESS

There was none.

4. DATE OF NEXT MEETINGS

The Chair and Vice-Chair would not be available on 27 April, so that scheduled meeting would not take place. It was agreed that another special meeting of the Committee should be called as soon as legal advice had been received and the Working Party had considered the options available.

The meeting closed at 7.35pm