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Chairman: Thomas Sheppard
Chief Executive: Caroline Kay

To whom it may concern, Charity Commission

17th April 2018

I am writing to inform the Charity Commission about the position taken by Bath Preservation Trust, Charity Number 203048, on a matter of conflicts of interest. My intention in writing is to seek confirmation that you consider the trustees have acted appropriately and also for this to lie on file in case of inquiries from third parties.

At a meeting of the Trustees of Bath Preservation Trust on 12 April 2018, consideration was given the issue of conflicts of interest in relation to considering any planning application on the Bath Recreation Ground for a new stadium for Bath Rugby.

There has been previous correspondence between the Charity Commission and Bath Preservation Trust on this subject (August 2009) and although the reasons leading to that correspondence were slightly different, I wanted to keep the Charity Commission informed.

As clarified in the earlier correspondence, Bath Preservation Trust routinely comments on planning applications as they affect the historic built environment of the City of Bath as part of the way it fulfils its charitable object

'To promote high standards of planning and architecture and to secure the preservation, protection, development and improvement for the public benefit of the character, amenities and buildings of historical, architectural or public interest in and around the City of Bath'.

As the Charity Commission will be acutely aware, there is intense public interest within the City of Bath in any development on Bath Recreation Ground (the Rec). The site has been subject to extensive legal proceedings in the High Court and in the first tier and upper tier charity tribunals.

Bath Preservation Trust Trustees wish their own consideration of any planning application from Bath Rugby for a new stadium to be free of, but also to be seen to be free of, any perception of conflict of interest or loyalty in relation to Bath Rugby and the Rec.

The Trustees therefore met to consider how to address the issue of any perceived conflict of interest of individual Trustees. Four (of currently 12) Trustees hold season tickets to Bath Rugby. One of the four has in addition a deeper, though historic,

remunerated relationship with Bath Rugby. In their deliberations Trustees had the benefit of informal volunteer legal advice as well as considering the matter in terms of Charity Commission advice and the Trust's governing Articles.

At the meeting, conflicted Trustees (ones who were season ticket holders) absented themselves from discussion. Non-conflicted trustees then considered the matter.

They concluded that:

- Holding a season ticket does create a conflict of interest or loyalty;
- The conflict is low risk (it is little more than the purchase of a service ie attendance at a match, not that different from purchasing a theatre ticket), however in light of the controversial polarised arguments about on the Rec, possession of a season ticket could be *perceived* as a conflict resulting in pre-determination of decision-making;
- Given the low risk nature of the conflict, it was felt on balance that it is in the best interests of the charity to allow all trustees, and in particular those with extensive knowledge about Bath, to participate in discussion about a planning application of the importance and magnitude as that on the Rec;
- However, to manage any *perceptions* of conflict, any **Trustee** who is also a season ticket holder should withdraw from and not be permitted to vote on any definitive position statements, decisions or planning submissions from Bath Preservation Trust concerning Bath Rugby's plan for a new stadium.

The non-conflicted Trustees further considered the position of the Trustee who is both a season ticket holder and has historically held remunerated roles (19 years ago in terms of an employed post and 5 years ago in terms of involvement as professional adviser to Bath Rugby as client) with Bath Rugby. The legal firm in which he is a partner does still have as a client the Bath Rugby Foundation, a related charity.

The conclusion of the non-conflicted Trustees in this instance was that although his personal conflicts of interest and loyalty were actually low risk, in terms of managing the perception of risk he was permitted neither to participate in discussion nor to participate in any vote.

It was further noted that although responses to planning decisions are usually delegated to one of the Trustees' sub-committees, in this instance final decision would be taken by the full Board. This currently consists of a majority of non-conflicted Trustees, who would be the only participants in any vote.

Caroline Kay
Chief Executive

17th April 2018