



Paper for Members in Annual General Meeting

Title: **Royal Charter and Bye-Laws proposal**
Date of Meeting: **30 April 2025**
Owner: **Society Secretary**
Confidential: **Yes, until approved**
Purpose: **Decision**

INTRODUCTION AND PURPOSE

1. The Members in General Meeting are asked to approve the revised Royal Charter and Bye-Laws. This comes with the recommendation of the Board of Directors.
2. Approval of the Royal Charter will be subject to the final approval of the Privy Council.

BACKGROUND

3. As our Chairman, James Logan, set out in his letter to all Members, the changes proposed to the Royal Charter and Bye-Laws are necessary to secure the future of RHASS.
4. These changes have been discussed at length by the Board of Directors over the last year and come with its unanimous support. Our legal advisors and auditors have raised concerns that the unusually large Board size significantly increases RHASS's running costs and has had a detrimental impact on RHASS's decision-making ability. They strongly recommend the changes as do our bank, for which governance change is a requirement of their continued support.
5. The proposed changes to RHASS's Royal Charter require 75% of the voting members at this year's AGM to support the proposal following which we will seek the formal approval of the Privy Council (required due to RHASS's Royal Charter status). The Privy Council have been kept apprised of the proposed changes and have raised only minor matters, which have been addressed in the drafts presented to this General Meeting.
6. The changes to RHASS's governance are necessary in order to streamline decision-making and improve accountability; improve operating efficiency to protect RHASS's financial future; establish clearer reporting lines between the Trustee and RHASS staff and ensure that RHASS is ready to adapt and maintain its charitable status under scrutiny from its auditors, OSCR (the Office of the Scottish Charity Regulator) and our bank.

PROPOSALS

7. The changes proposed are limited to the administration and “mechanics” of RHASS only – there are no proposed changes to RHASS’s charitable objects and RHASS’s focus will remain on four key areas:
 - a. Royal Highland Show (RHS): Continuing to deliver an outstanding Royal Highland Show that showcases Scottish agriculture and celebrates our heritage.
 - b. HCL (Highland Centre Ltd): Strengthening its commitment to the ongoing development and management of the Royal Highland Centre as a premier venue for events in order to generate income to support RHASS as a charity.
 - c. Property: Managing and developing its assets, including the investments in showground infrastructure, to ensure long-term sustainability.
 - d. Member Engagement: Enhancing the way we connect with and involve, you, our members, making sure you have a voice in shaping the future of RHASS.
8. The outline of the new governance structure is set out below:
 - a. RHASS Council of Trustees: A new Council of Trustees appointed by the Members from the RHASS RHS Directors with a minimum of four independent trustees to bring additional expertise and skills. This group will be responsible for the RHASS Group strategy, finances, property and guide the charitable objectives. Additional protection for the Royal Highland Show has been built in with a requirement for a 75% voting majority in Council to sell any land which forms part of the core showfield (identified in appendix 2 of the Bye-Laws).
 - b. RHASS RHS Directors: Up to 54 Directors will remain focused on the development, delivery, budget and charitable impact of the Royal Highland Show, and will be elected and appointed in the same way as now.
 - c. RHASS HCL Directors: 8 members (four RHASS Directors and four independent Directors, who will be recruited externally), this group will be responsible for the commercial elements of HCL and property. The governance structure of HCL is contained in its own Articles of Association and a shareholder agreement will be put in place to mandate the board structure, remit and commitment to the Royal Highland Show.
 - d. Flexible Appointments: more flexibility to be introduced in director appointments to ensure a healthy mix of continuity and fresh ideas.
 - e. Regional Presidential Teams: The current Presidential Teams will become Ambassadors, maintaining their role but shifting away from trustee and director responsibilities.
9. During the review of the Bye-Laws, it was identified that two of the definitions of the eight regions were out of date in terms of local authority names and that it required to be clarified that the former County of Banff required to be excluded from the definition of the Highland Region as it was specifically included in the Aberdeen Region. These changes have been made to Appendix 1.

RECOMMENDATION(S)

10. The Members are asked to approve the proposed revised Royal Charter and Bye-Laws.

APPENDICES

1. Royal Charter 2025 text
2. Bye-Laws