



DUCHY of LANCASTER

1 Lancaster Place, Strand, London WC2E 7ED

NEWS

A positive start to the year

As many of you will have seen, we have now published our Annual Report and Accounts for 2011 and I am pleased to report that all areas of the Duchy's portfolio demonstrated growth over the year. Overall, we have increased our income by almost 8 per cent, maintained our net surplus and increased the value of our assets by 10 per cent.

The agricultural sector performed particularly well, giving another indication of the continued ingenuity and entrepreneurship of our tenants and managing agents. In addition, tight financial control at the centre has helped us to reduce our costs and manage our resources more effectively.

Thank you to those who attended this year's Tenants Forum at the Great Yorkshire Show in Harrogate. I hope you found it an informative session



The Duchy office, Lancaster Place

and enjoyed the opportunity to discuss issues of mutual interest and concern. During the session, Sally Connor and Kate Dale from Yorkshire Rural Support Network gave an interesting presentation on succession planning, which is obviously an important consideration for farming

families and rural communities nationwide.

Sally and Kate's presentation suggested that a growing number of people are refusing to deal with this issue until it becomes critical. The Duchy believes that a responsible landlord has a duty of care to its tenants and should be working with them to identify and prepare an appropriate successor in good time. By encouraging early and open dialogue we can provide practical assistance and advice so that an appropriate solution can be found, which is acceptable to all parties.

This brings me to the importance of building and maintaining close working relationships. The Duchy believes that the relationship between landlord, tenant and agent should be a partnership of equals working towards a common goal. We have therefore decided to publish our own Charter for Business which seeks to identify core behaviours and values which should be common to all parties.

- These are:
- Cooperation between all parties at all times
 - Compliance with legal, environmental, social and moral responsibilities
 - Communication that is honest, timely and transparent
 - Commercialism through entrepreneurial flair and imagination
 - Competence and professionalism in all we do
 - Commitment to financial success.

These 'six Cs' represent the values of The Duchy and the approach it seeks and expects from its staff, tenants and managing agents. It accords with the other Duchy tenet of 'Working For Rural Business' introduced in 2004 when Her Majesty The Queen visited Lancashire on the occasion of her 80th birthday.

We commit ourselves totally to the principles of the Charter which we believe will help to enshrine not only our philosophy, but also our business practices, now and in the future.



Paul Clarke,
CEO and Clerk of the Council

Exceptional talent

Newborough Hall Farm on our Needwood Estate has proved an inspiration for the daughter of Duchy tenants Philip and Elizabeth Slater. The incredibly talented Kate Slater has recently published her first children's book, *Magpie's Treasure*, to rave reviews and is currently working on an illustrated ABC of London. Twenty-five year old Kate, who grew up on the 236-acre dairy farm, believes that the green open spaces and natural beauty of the family home helped to develop her artistic 'eye' and influenced her stunning illustrations, many of which are of animals and countryside scenes. Both her father and her grandfather lived at Newborough Hall Farm, making Kate and her sister Felicity the third generation of Slaters to reside here. *Magpie's Treasure* has now been published in paperback and is available from bookshops nationwide for just £5.99. Further examples of Kate's work can be seen online at www.kateslaterillustration.com.



Keeping it in the family

We welcome Tony Evans, Duchy Bailiff to the Ogmore Estate, to the team. Tony, who is a dairy farmer in South Wales, took over from his father-in-law David Hopkin who retired at the end of last year after more than 35 years of loyal service. In fact, David himself succeeded his uncle – so this is very much a family affair!

The Ogmore Estate consists mainly of common land in and around Bridgend in South Wales, and includes a small number of bare land agricultural holdings, a golf course and quarries, as well as the stunning Southerndown Beach. The role of the Duchy Bailiff is to represent the Duchy on the ground and liaise with our managing agents on any issues that arise.

Tony, who lives with his wife Sharon and two grown-up children on the farm at Marcross near Llantwit Major, also runs a caravan park and motor-racing circuit in the area.

Cheshire Ploughing Match

The Cheshire Ploughing & Hedgecutting Society held its 88th match this year and capitalised on some late September sunshine. Hosted by Duchy tenant Norman Lawson at Flash House Farm on the Crewe Survey, the 100-year old event attracted record numbers of visitors. Norman and his wife Margaret organise the event every year, which travels around the county to encourage as many people as possible to participate. This is the first year that Norman has actually hosted the event himself. In addition to the impressive display of traditional skills on show throughout the day, the event also featured 130 trade stands, demonstrating everything from tractors and fencing materials, to animal feed and veterinary products.



Back to school

The Duchy has a long-standing relationship with Thornyholme School, a primary school which serves our tenants in the village of Dunsop Bridge in the heart of the Whitewell Estate. This summer, we were delighted to host a lunch in the Duchy office for Year 6 students, all of whom had raised funds for a 'special day out' in London to round off the school year. Accompanied by their teachers, eight enterprising young students visited the capital, taking a trip on the London Eye, viewing Buckingham Palace and the Houses of Parliament, the Wembley Arch and the new London Shard before finishing off the day with a trip to The Lion King at the nearby Lyceum Theatre.



New holiday homes

Our proposed holiday let development at Scalby Lodge Farm is now moving ahead. Having been unanimously approved by Scarborough Borough Council's Planning Committee in June, we have begun work on Phase 2, which will provide the first 11 of what will eventually be 20 high quality holiday properties. Phase 2 is to be completed by the end of 2012, with the last Phase scheduled for completion in 2014/5.

Positive visitor feedback and the consistently high occupancy rates achieved to date on our first four holiday properties – Redshank, Sandpiper, Scalby Lodge Cottage and Scalby Lodge Farmhouse – suggest that there is a definite demand for well designed, good quality accommodation in this area. The finished holiday homes will be designed and constructed under The Duchy's own Design Code, ensuring that traditional materials are used wherever possible. Energy saving technologies will also be incorporated to provide high levels of sustainability.

To make a booking, please contact Faye Gonzalez at Smiths Gore (01904 756317).

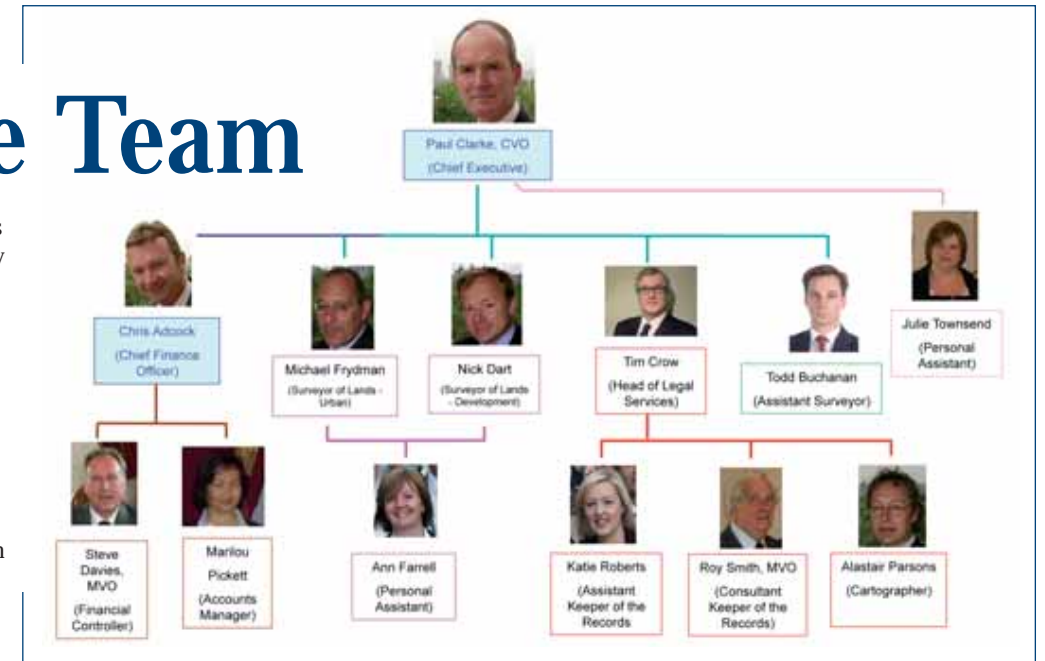
Lancaster Castle

There has been a great deal of speculation on the future of Lancaster Castle now that the Ministry of Justice has decided to close the prison housed within its walls since medieval times. This historic landmark is clearly well loved by the people of Lancaster who are keen to see it brought back into public use. The Duchy of Lancaster is working closely with the Ministry and, following a visit to the Prison by Council members in September, is about to start the process of finding a viable future use which will preserve and protect the Castle for generations to come.



Meet The Team

A small team of dedicated individuals at Lancaster Place is responsible for delivering many of the services tenants and partners receive from The Duchy. Many of our tenants may be more familiar with these people than they are with members of Council, but they may have had only rarely an opportunity to meet in person. So, in the interests of putting faces to names, we thought that we would take the opportunity to publish a gallery of 'who's who' within the Duchy team.



Spotlight on...

Mark Hudson

Council member Mark Hudson was born into a farming and trawling family in the East Riding in 1947. Educated at Sedbergh School in Cumbria, Mark went on to read agriculture at Cambridge in the late 1960s before completing a postgraduate diploma at Wye College in 1970.



Mark began farming in 1979, running 130 milking cows plus followers on 220 acres. Today, he and his wife Sue farm some 575 acres in the Vale of Clwyd in Denbighshire on which they run 250 cows and 160 heifer followers, as well as growing cereals and beans along with grass and peas for grazing and winter forage.

Mark became a director of AIM-listed NWF Group plc in 1985 and took over as Chairman of the Board in September 2006. He joined the committee of the Farmers Club in the mid-80s, of which he became Chairman in 1990. In the same year, Mark chaired the Board of the Oxford Farming Conference. He is currently Chairman of the Farmers Club Trustees.

In 1991, he founded his own farm business consultancy, Mark Hudson Associates.

He also chaired the Welsh Committee of the CLA from 1993 to 1995, becoming national president for two years in November 2003. He now chairs the Trustees of the CLA staff pension fund.

In June 2006, Mark was elected chairman of the Game and Wildlife Conservation Trust for four years and also invited to become a member of The Duchy Council.

Married with two grow-up sons and four grandchildren, Mark continues to champion innovative agricultural businesses in all that he does.

Arts & Crafts Mean Business



Local artist John Clarke at work

The local craftspeople, entrepreneurs and members of the business community attended a Summer Garden Party at Dunsop Bridge's newest office development at Root Hill Estate Yard this summer. Bowland Wool Ambassador Rosemary Johnson, renowned local artist John Clarke and the Bowland Brewery Company demonstrated their skills and produce throughout the afternoon, while guests enjoyed locally produced cakes, pastries and sandwiches. The AONB also opened the doors of their regional headquarters to visitors keen to view the interior

layout and spectacular views on offer. Root Hill Estate Yard is an award-winning development which offers a small number of individually designed office suites, ranging in size from 400 to 1,730 sq ft. Designed to provide much-needed office accommodation for small and growing local businesses, it is a working environment which is as attractive and inspiring inside as its setting is spectacular on the outside. For further information or details of the flexible terms available to local businesses, please contact the Smiths Gore team on 01772 663120.



Knitting with Quilting Mellons



Bowland Brewery sampling