

DUCHY of LANCASTER

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NEWSLETTER

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Welcome



> Nathan Thompson

This has been a historic year in many respects. We have celebrated the 750th anniversary of the creation of the historic Lancaster inheritance and my sincere thanks go to everyone who contributed to the most enjoyable visit of Her Majesty the Queen as Duke of Lancaster at the end of May. We have also seen the retirement of our Chairman, Lord Shuttleworth KCVO, and I would like to add a note of personal gratitude for his invaluable guidance and support. We welcome Mr Mark Hudson, an experienced member of Council, who took up the reins as Chairman on the 1st January 2015.

This year, the Duchy of Lancaster is committed to invest £3.2m in the maintenance and improvement of its residential portfolio in the Surveys. We continue to actively encourage the use of green and renewable energy sources across our estates and have recently installed an energy efficient, environmentally sustainable and financially beneficial biomass heating system for a tenant of an equine unit in Staffordshire.

We have completed a variety of projects this year. These include our first luxury apartment development in Harrogate, the realignment of our Rural Surveys, the establishment of a common quality standard for our rental properties and the transformation of a piece of rare alabaster into a magnificent altar and centrepiece for the historic internment of Richard III.

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A Royal Visit



> The Duke of Lancaster receives the keys to the Castle

Earlier this summer, we were delighted to welcome Her Majesty the Queen to Lancashire as part of the celebrations to commemorate the 750th anniversary of the creation of the original Duchy inheritance. The visit began with a ceremonial welcome at Lancaster Castle and included a tour of Duchy farms across the Myerscough estate.

Her Majesty arrived by Royal Train and was welcomed by the Lord-Lieutenant of Lancashire, Lord Shuttleworth KCVO. The approach to the Castle and the historic John of Gaunt gate was lined by local air, sea and army cadets and members of the Duke of Lancaster's own Yeomanry, together with thousands of well-wishers.

The Duke of Lancaster was presented with the keys to Lancaster Castle by its Constable, Mrs Pam Barker, which She accepted and returned to the Constable

for safe-keeping. Inside the Castle, local brownies and cubs formed a guard of honour to the Chapel Courtyard, where actors performed an extract from Shakespeare's Richard II. Invited guests then took part in a reception in 'A' wing, an area of the Castle formerly used as a prison and closed to the public until 2013.

After leaving the Castle, Her Majesty travelled to Lodge Farm on the Duchy's Myerscough estate, where agricultural students from Myerscough College demonstrated their skills as farriers, sheep-shearers and cattle-handlers. This was followed by a luncheon at Light Ash Café in Bilsborrow before an opportunity to meet Duchy tenants at Lee Farm. In a barn dressed by floristry students from the College, Her Majesty met around 100 Duchy tenants from across the Lancashire Survey.

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We have made significant investment in commercial property, most notably two warehouses in Blackburn and a distribution warehouse and purpose-built research facility at Estuary Commerce Park in Speke, Liverpool. We have also commenced with extensive restoration work at Lancaster Castle.

Our guiding principles are to balance the long-term interests of our tenants with the protection and preservation of the environment and the delivery of positive growth in terms of our commercial performance. I am pleased to report that this year we have made good progress in all three areas although we recognise that further improvements must continue to be made year on year.

It has, as ever, been a varied and interesting time for all of us involved in the day-to-day running of the Duchy and I would like to take this opportunity of thanking all members of the team, the Duchy Council, our advisors, partners and of course our tenants for their ongoing help and support.

Nathan Thompson, Chief Executive of the Duchy of Lancaster

Sustainability projects



→ Woodhouse Farm, Needwood Estate

Working with our tenant Bennett Equine, the Duchy has this year completed the installation of a £130,000 eco-friendly heating system at Woodhouse Farm on the Needwood estate in Staffordshire. The innovative biomass system provides heating and hot water for both the residential farmhouse and the business elements at Woodhouse Farm, which is one of the UK's leading equine rehabilitation centres.

As the property's previous heating consisted only of open fires, the woodchip biomass boiler system will help the environment and deliver significant savings in terms of energy bills.

The system is the first of its kind to be installed by the Duchy and we carried out extensive research beforehand to identify the best and most effective energy solution. The boiler will use existing woodchip from another Duchy tenant, forestry and harvesting company UPM Tilhill, which occupies the nearby Needwood Sawmill site.

In accordance with our sustainability strategy, green energy sources are actively encouraged across all our properties and a number of tenants are now using green systems such as ground source heat pumps, solar PV and rainwater harvesting.



→ Root Farm Cottage, Whitewell Estate

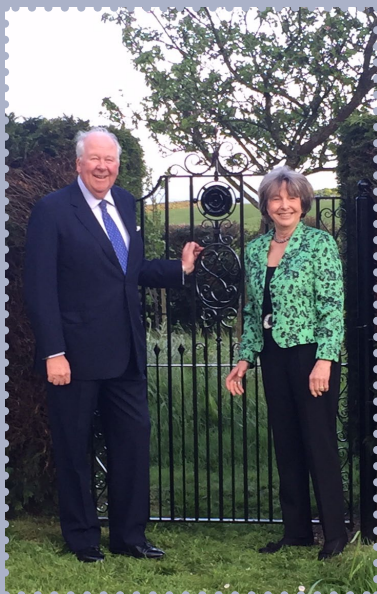
Five of the best

Our holiday cottage at Root Farm on the Whitewell estate in Lancashire has received a 5-star rating from Visit England. This puts our newest holiday cottage on a par with the Duchy's other luxury cottages at Scalby Lodge in Yorkshire, which have also received 5 stars for the third consecutive year and been awarded a Certificate of Excellence from the online travel site, TripAdvisor.

TripAdvisor, which bases its awards on the positive feedback received from visitors, has also awarded Lancaster Castle a Certificate of Excellence, calling it 'the best in the business'.

➔ For further information, visit our websites: www.duchyholidaycottages.co.uk and www.lancastercastle.com

Lord Shuttleworth KCVO



> Lord and Lady Shuttleworth with the commemorative gate

Lord Shuttleworth KCVO, Lord-Lieutenant of Lancashire since 1996, retired as Chairman of the Duchy Council at the end of 2014.

A member of the Council since 1998 and Chairman since January 2006, he has seen significant changes to the operational structure of the Duchy during his tenure, while ensuring the preservation of its historic values and principles. Much of the Duchy's growth and development over recent years is due to his stewardship, wisdom and guidance.

As a retirement gift and to remind him of his years as Chairman, the Duchy Council presented Lord Shuttleworth with a specially commissioned wrought iron gate bearing the Lancashire Rose and the letter 'S' entwined. The gate, which was designed and produced by local master ironsmith Tim Swettenham, was 'presented' in the form of a framed drawing at a special retirement dinner held at Buckingham Palace. It has now been installed in the garden of Lord and Lady Shuttleworth's new home.

All members of Council, staff and tenants would like to formally record their thanks to Lord Shuttleworth and Lady Anne Shuttleworth for their outstanding record of service to the Duchy.

New Homes For Harrogate



> Luxury homes, green open spaces and playing fields proposed

Following the success of our £2m investment in residential property at 11 Ripon Road, the Duchy is preparing an outline planning application to deliver more high quality homes in Harrogate.

Ripon Road completed in September 2014 and all 13 apartments at the development were let less than six months after completion, with the first tenants moving in immediately. Now, in response to a call for potential development sites from the local planning authority, the Duchy is responding by bringing forward land at Cornwall Road for new homes, recreational green space and sports pitches.

More than 200 local people attended a public consultation and exhibition held in

June, talking to the Duchy project team about the proposed scheme. The suggestion is for an extension to the existing Duchy estate and the creation of a new 'soft' green boundary to the south of the town. Property designs would reflect the surrounding environment and the architectural heritage of the area and would retain the wide streets and low density layout of the existing estate.

The plans also include extensive landscaping throughout, well maintained open spaces for recreational use and wildlife, a wide green corridor and sports pitches for local school and community use. If approved in principle, the Duchy will work with local stakeholder groups to develop a detailed application for submission by late 2016.



> 12-year old Daniel settling the bees in

Hive of activity

Following the launch of the Duchy's new Beekeeping Grant last year, a number of families across the country have taken up the challenge and are now actively keeping bees.

For many this is a real family affair, providing a great opportunity for the younger generation to learn about bee keeping and the importance of bees to the ecosystem.

Claire and Steve Peach in Staffordshire, for example, look after their bees with their 12-year old son Daniel, and Christine Fishburn in Yorkshire originally applied for a grant because her grandson Joseph was interested in learning how to keep bees. With the help and support of neighbour Andy, Christine and Joe now have two busy, healthy hives on the go and are actively looking to establish two more.

Jewel in the Crown



> *The Theo Fennell brooch specially commissioned by the Duchy*

We were proud to see Her Majesty the Queen wearing a brooch specially commissioned by the Duchy on Her recent visit to Lancaster Castle and the Myerscough estate.

Designed by Theo Fennell in 1999, the 18-carat gold brooch commemorates the 600th anniversary of the link between the Duchy and The Crown. Using elements of the

emblem of Henry Bolingbroke who became Henry IV in 1399 and who enshrined the relationship between the Duchy of Lancaster and the reigning Sovereign in perpetuity, it incorporates the Plantagenet emblem of an ostrich feather and the motto 'Sovereigne', together with a rampant lion taken from the helm of the Duchy.

New High Sheriffs



> *Mrs Amanda Parker, High Sheriff of Lancashire*

Three High Sheriffs have been appointed across the County Palatine by Her Majesty the Queen as Duke of Lancaster.

Mrs Amanda Parker JP will serve as High Sheriff of Lancashire, Mrs Sharman Birtles JP DL is installed as High Sheriff of Greater Manchester and Mr Robert Owen JP DL takes up the post for Merseyside. Each will serve for a 12-month period until April 2016 and all three will be supported by the new Under-Sheriff for the County Palatine, Mr David Cam DL.

The office of High Sheriff is one of Britain's oldest, continuous secular appointments, dating back to Saxon times (circa 600 AD) when the 'Shire Reeve' was responsible to the King for the maintenance of law and order within the county, as well as the collection and return of taxes. Today the role is largely ceremonial and focused on support for local good causes through charitable work.

Royal Alabaster

When Leicester Cathedral commissioned Master Stonemason James Elliott to create a new altar befitting the re-interment of King Richard III, the consensus was that it should be fashioned in alabaster, the only available source of which was within the Duchy's Fauld Mine in Staffordshire.

Given the fragility of this precious material, James had to work very closely with British Gypsum, St. Gobain and the Duchy's Mineral Surveyor, Eddie Tennant, to ensure its safe extraction. Then, over the next six weeks, James and his team had to work day and night to craft the alabaster into the object of lasting beauty that it has become. Weighing 784 kilograms, the altar is now harmoniously installed in the Cathedral close to the final resting place of King Richard III.



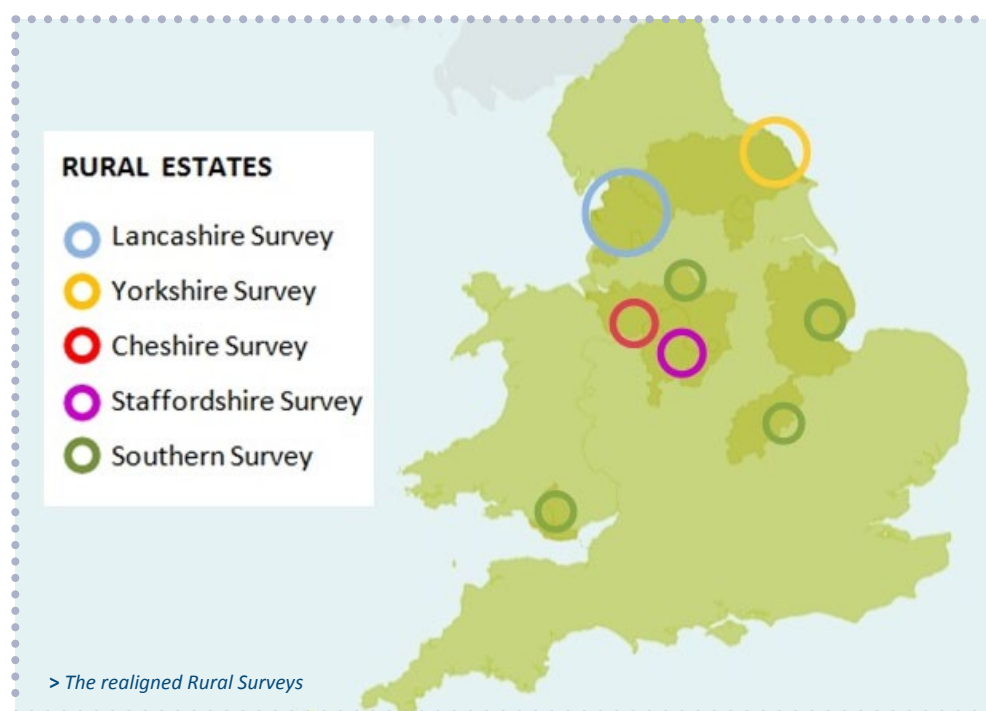
> *Alabaster altar at Leicester Cathedral*

Rural Surveys

Our new Head of Rural, Christopher Sparrow, joined the Duchy team at the beginning of the year. Christopher, who is the fourth full-time appointment made by the Duchy of Lancaster in the last 12 months, has spent the past 10 years as estate manager for The Duke of Buccleuch on the Boughton Estate in Northamptonshire.

Working with Savills Smiths Gore who act as Asset and Property Managers for the Duchy across the rural estates, Christopher has realigned the traditional Surveys to reflect local populations and geographic boundaries, bringing the management of the new Southern Survey inhouse.

The five Rural Surveys are now: Cheshire, Staffordshire, Lancashire, Yorkshire and Southern.



> New design guide

Setting the Standard

As part of our commitment to quality and excellence, we want to ensure high standards of design and interior finish across all Duchy properties. We have therefore drawn up a new Design Standard for interior fixtures, fittings and furnishings in all of our rural rental portfolio.

The new Standard will be applied to all refurbishments and refits in our £1.9m rolling programme of property maintenance and improvement works across the Surveys.

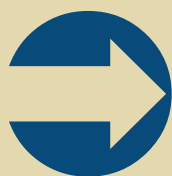
New Tidal Barrage

The Duchy has agreed to allow private firm Natural Energy Wyre Limited access to explore building a tidal barrage on the River Wyre.

This is a £200m project designed to create the UK's first tidal energy power station. It has a lifespan of 120 years and is estimated to provide sufficient electricity for tens of thousands of homes, as well as supporting the National Grid and helping to deliver the Government's clean renewable energy policy



> Proposed tidal barrage



Getting to know...

Christopher Sparrow,
Head of Rurals



> Christopher Sparrow

I've tried it a couple of times just in case I had it – it didn't go well.

Q: What is the best piece of advice you have ever received?
Keep to the high ground.

Q: What is your role within the Duchy of Lancaster?

My role is to lead and co-ordinate the Rural Team across all the rural Surveys and directly manage the newly formed Southern Survey. I have also taken up executive responsibility for the Duke of Lancaster Housing Trust, a charity, which is a stand-alone affordable housing provider.

Q: What does a typical day entail?

I split my time between London and the Surveys – probably 60:40. I have visited every residential property now and have been to all our landholdings. Understanding the geography has helped enormously. I am also meeting farm tenants and other stakeholders each week and

reviewing our activity across the different enterprises in which we are invested.

Q: What do you do to relax?

I really enjoy sports and as my children are very keen too that soaks up plenty of time – albeit not always very relaxing! I grew up in Cornwall, so really enjoy being in the sea.

Q: Who would your ideal dinner guest be?

I have often wondered what it would be like to have a dinner party where you were able to magically invite your parents and children – but all at the age of 42. Getting a word in would be interesting....

Q: What super-power would you most like to have?

Easy – to be able to breath underwater.



> Royal salute from HMS Lancaster

HMS Lancaster

Pride of the Royal Navy

The crew of HMS Lancaster wanted to do something extra-special to welcome Princess Charlotte of Cambridge into the world at the beginning of May. Careful planning, half the ship's company and a Wildcat

helicopter all contributed to the creation of an iconic photo salute.

HMS Lancaster also visited one of the wonders of the modern world this year, the Panama Canal. The visit was made on the way to

Balboa, the 8th stop of the ship's current deployment, and involved a 10-hour journey and the successful negotiation of a total of 6 locks. Officers and crew said it was an incredible experience.