



LEYS ESTATE GROUP Strategic Plan

2023 - 2028





The only constant is change
and we are entering a
period of transformation
in the countryside.





Leys Estate Group (LEG) is the Burnett Family group of businesses that own and manage the various parts of Leys Estate; 7,500 acres of land and property lying to the north and east of Banchory.

In 2018, LEG launched its first integrated strategic business plan giving the Burnett Family businesses strong overarching strategic objectives.

As we mark the 700th anniversary of the Burnett family residing in Deeside, we have developed a clear action plan for 2023 – 2028 with a fresh set of strategic objectives focusing on growth, capital re-investment and strategic land planning but aligning with new sustainability, biodiversity and environmental principles.

Where We Are Now

The last forward strategy saw us;

- | | | | | |
|--|---|---|---|---|
| 1.
Significantly
reduce
external
finance | 2.
Complete
land sales at
key strategic
sites | 3.
Transition to integrated
property and financial
management and
reporting | 4.
Commence
Group
succession
strategy | 5.
Create a Marketing
and Communications
Department and Community
Engagement Strategy |
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Where We Are Heading

The only constant is change and we are entering a period of transformation in the countryside.

We are all facing increasing concerns about local and global climate change which will significantly influence the activities and direction of LEG businesses.

Rural estates like Leys Estate have been around for a long time because they are innovative and adaptable and if estates continue to be open to change then they will continue to thrive.

With a fresh set of Strategic Objectives, we are moving towards a growth phase which will include asset diversification, capital re-investment and strategic land planning, but all aligning with new sustainability, biodiversity and environmental principles. We will focus on enhancing our Social, Human, Natural and Economic Capital assets and working on the business model for nature recovery with emerging Nature and Environmental Services markets.

As part of this we will strategically review our land and property portfolio assessing our range of assets, capital values and returns on investment. We will consider the need for diversification by way of divestment and investment in certain asset classes.

Most significantly, there will be a direct change in farming policy within the Group which will see us move towards a wider set of objectives including biodiversity net gain, sustainable agriculture and Natural Capital enhancement to maintain ecosystem integrity as well as food production.

We will continue to focus on building a resilient business that has robust systems and processes in place which assist with succession planning and future proofing.

We will engage with local businesses, associations, our neighbours and local population, listening to them whilst reminding them of the positive contribution rural estates can bring to society.



Our Vision

“A **progressive** and **integrated** system of land and property ownership, use and management that delivers a wide range of **benefits** to its owners, tenants, neighbours and local community whilst **protecting** the social, cultural, historical, economic and environmental attributes of the land and property and surrounding area and **educating** the future.”

Our Mission

“To ensure that successive Burnett family members and the local community enjoy and benefit from sound, fair, informed, innovative and sustainable land and property investment and management.”

Our Culture

We understand the level of responsibility we have as a Group in managing a valuable and valued asset. As well as focusing on our business needs, we will target delivery of social, environmental and community benefit as part of our core strategic objectives.

We are committed to promoting a healthy culture where employees feel valued, supported and motivated.

We promote effective teamwork and collaboration, fairness, communication and shared goals and problem solving while ensuring we are professional and business-like in land and property management.

We strive to operate in an open, transparent and accountable way and will work with our teams to further develop our values and culture over the plan period.



Our Values

Our Core Values help drive and deliver our Mission and Vision and are key to how we work as a team and interact with our colleagues, our tenants, customers and suppliers, neighbours and the local community.

We will develop our Core Values of;



Loyalty



Empowerment



Growth



Strategic Objectives

1.
Further develop
the LEG team
values and culture

2.
Develop a
sustainable model
for HoBESCo

3.
Limit
external
finance

4.
Contingency,
resilience and
business continuity
planning

5.
Ensure high
standards of
HSQE at all
times

6.
Transition of
the agricultural
sector to new
ways of working

7.
Delivery of biodiversity,
natural capital, net
zero and other key
environmental targets

8.
Consider new land,
property, environmental
and energy investment
opportunities

9.
Continue to improve
visibility, communication
and reporting both
internally and externally

10.
Re-balance portfolio of
assets to ensure resilience
and target 10% return on
new capitalisation



These Strategic Objectives are underpinned by a series of targeted Action Plans for each Sector of operation, with each Action Plan having timelines, metrics and financial targets and milestones to guide our teams and the business.



Our Operational Sectors





Residential

‘Rationalisation and improvement of housing stock to medium and high quality EPC compliant accommodation, whilst striving to offer both affordable and competitive rents.’

Residential letting will remain a core part of the Group’s business. However, changes to the political landscape, which includes failing to introduce an appropriate and workable Energy Performance assessment and certification system, has created an increasingly difficult private rented market in Scotland.

Key Objectives

1. Improve housing stock including energy performance.
2. Work with tenants to reduce energy consumption.
3. Continue to offer housing stock at affordable rents where feasible.
4. Target delivery of digital connectivity to all estate properties.

Agriculture

‘Progressive transition from the traditional Landlord/Tenant model to contract farming and delivery of sustainable and productive farming techniques aligning with our biodiversity, net zero and natural capital goals.’

We will progress a fundamental shift in agricultural policy across the estate, from the traditional Landlord-Tenant model to Contract Farming, embracing joint ventures and collaborative working. Climate change is probably the biggest global challenge for everyone at the

moment, and agriculture is seen as both part of the problem and part of the solution.

There is a raft of new agricultural policy and legislation on the horizon, along with significant technological advances and changes in public expectations.

The challenge is to feed the nation with a lighter environmental footprint whilst reducing the reliance on the existing support system which will be phased out.

We will work collaboratively to find a pathway to work towards reducing the use of chemicals and fertilisers on the estate’s farmland, using livestock to improve the soil characteristics and reduce reliance on production subsidies.

Key Objectives

1. Target over 50% farmland area in Contract Farming Agreements with innovative farmers by 2030.
2. Improve the soil characteristics, biodiversity and conservation status of estate farms.
3. Achieve profitability in new contract/in-hand farming ventures whilst delivering environmental benefits.
4. Implement Farm Management Plans for all holdings.
5. Embrace digital agri-technology.



Forestry

‘Management of the commercial and amenity woodlands for sustainable timber production focusing on natural regeneration and carbon sequestration, whilst integrating recreational and amenity use.’

LEG has a 20-year Long Term Forest Management Plan (LTFMP) for 2015 to 2035.

Over the past 5 years, we have brought the Group’s commercial forestry activity back to a 5-year rotational thinning cycle and have significantly changed our strategy to avoid the use of new forestry fencing where possible.

The LTFMP review in 2025 will shape what Group forestry objectives are achievable within this next 5-year Strategic Plan Period

‘the right tree, in the right place, for the right purpose’.

Key Objectives

1. Implement the next 10-year phase of the LTFMP from 2025.
2. Re-consider Forest Certification.
3. Continue a policy of Continuous Cover Silvicultural Systems where possible.
4. Facilitate woodland recreation and other business uses.
5. Assess opportunities for new planting areas for commercial and amenity woodlands.
6. Improve biodiversity and carbon footprint across the forest resource.
7. Assess market for alternative woodland primary and by-products.



Commercial

‘Delivery of flexible, diverse and profitable commercial agreements, leases and licences for land and property.’

LEG currently manages 128 commercial leases and licences.

The commercial property leasing sector is a sector to be considered for investment and growth as, in many ways, it is less constrained by leasing law and legislation when compared to the agricultural and residential sectors.

Key Objectives

1. Maximise occupancy and returns from commercial property.
2. Manage utility and other service provider costs.
3. Offer flexible land, property and lease options.
4. Identify new commercial investment opportunities locally as well as in other markets and areas.



Development

‘Sensitive and appropriate master-planning and delivery of future phases of residential and commercial land that leaves a legacy for Banchory as an attractive and sustainable community in which to live and work.’

This is the largest sector for the Group in terms of importance; covering master planning, Local Development Plan (LDP) bids, infrastructure planning, phased land release and capital realisation of land and property owned by the Group for sale, lease, rent or retained use.

Key Objectives

1. Develop masterplan brief for next 25 years.
2. Identify development opportunities with regards to redundant/surplus agricultural buildings.
3. Carry out effective and responsive community consultation.
4. Create a sense of place and community.



Renewables and Sustainability

RENEWABLES

‘Reduce waste, energy consumption and reliance on fossil fuels and to reduce LEG carbon footprint, whilst utilising renewable energy where appropriate and introducing a LEG Sustainability Policy.’

As a Group we aim to operate in a more sustainable way, reducing our carbon footprint with the combined goal of avoiding the depletion of

natural resources and maintaining an ecological balance.

RENEWABLES – Key Objectives

Biomass Energy

- Continue to improve performance of the Hill of Banchory District Heat Network (DHN).
- Consider community or alternative private/public ownership of the Hill of Banchory DHN business.

Solar Energy

- Consider new small or large scale PV or solar installations.

Hydrogen Energy

- Assess viability of hydrogen energy production.



SUSTAINABILITY

‘Fulfilling the needs of current generations without compromising the needs of future generations’.

We strive to do achieve this by maintaining an ecological balance and avoiding resource depletion which must become an underlying principle of all that we do on Leys Estate going forward.



We believe that there is a fundamental need and benefit to all of having a sustainable local environment, a sustainable local economy and a sustainable local community.

SUSTAINABILITY –Key Objectives

Energy

- Undertake Energy Audits of all Group properties.
- Improve energy efficiency and EPC ratings.
- Encourage Group procurement of energy where possible.
- Assess and reduce fuel and energy use across LEG operations.

Carbon

- Undertake full Carbon Audit across LEG properties and business activities. Is Net Zero achievable?

Waste

- Carry out waste assessment of transport, operations and working practices.
- Adopt a waste management policy.
- Adopt a more circular business model of reduce, reuse, recycling and refurbish.

Agriculture, Forestry and other Land Use

- Adopt sustainability in farming practices to improve soil characteristics and farm efficiency, whilst improving environmental attributes, animal welfare and biodiversity.
- Consider the needs of the environment, wildlife and forest resources whilst balancing Ecological, Economic and Social sustainability in all land use decisions.
- Improved control over sustainable land use across the Estate with the move to Contract Farming.

Climate Change

- Reduce our overall impact on climate change.
- Prepare contingency and resilience plans for climatic events.



Land Use, Environment and Biodiversity

‘Delivering key Scottish Government goals of appropriate land use and preservation and enhancement of the biodiversity, natural capital and environmental assets of the estate and surrounding community.’

The LEG Vision Statement states the need to protect the social, cultural, historical, economic and environmental attributes of the land and surrounding area.

The two key existential global threats are the Climate Emergency and Nature Emergency and they are intrinsically linked. We are dependant on climate and nature, not just for our well-being but our economy. Globally, there is a need for a fundamental land use change.

Key Objectives

1. Assess baseline biodiversity, carbon and natural capital assets.
2. Create and implement an Integrated Estate Land Use Management Plan.
3. Create and adopt a carbon and net zero policy.
4. Consider the business model for Nature Recovery, creating value for carbon credits, carbon off-setting, Bio-diversity certificates, Nature Impact Tokens etc.
5. Implement a Natural Capital protection and enhancement policy.

Tourism, Leisure and Heritage

‘Preserving LEG’s historical, social, cultural and built heritage and working in partnership with other stakeholders to enhance Leys Estate, Banchory and Deeside as a tourism and leisure destination.’

We are committed to educating our teams, our neighbours and our community about Leys Estate and its heritage assets.

Tourism and Leisure

Attracting local and national tourists has become as important as foreign tourists as has the ‘health and well-being’ agenda with the demand for ‘green tourism’ and a connection to nature.

The Milton Events Field has organically grown to become a key community asset, hosting a wide range of local community events attracting both local residents and those from further afield.

Heritage

LEG has a considerable cultural, social and built heritage which has endured for 700 years. Creating and maintaining an archive ensures there is a vital record of the heritage and identity of the estate.

Key Objectives

1. Ensure continuity and succession of links with House of Burnett and Burnett Society.
2. Protect and enhance the archive and land, property and artifacts of heritage value.
3. Develop a LEG Tourism and Leisure Strategy aligned with National and Regional Strategies.





Delivering the Plan

We aim to deliver a clear and visible pathway for the next 5 years by focusing our Team Leaders on a series of prioritised Action Plans for the Sectors of LEG operations.

Our Teams

We will continue to build a skilled, flexible and motivated team, focusing appropriate resources where required across our operations.

We will seek to introduce an improved learning and personal development programme, flexible employer and employee working culture and build on our core values.

We will plan for succession within our teams and future proof the business, whilst also working with and plan for Burnett Family succession.

Engagement and Communication

We will continue to build relationships with our local community and will work in a collaborative way in partnerships where and when appropriate. In all our actions, we will seek to resolve issues through agreement wherever possible – having recourse to our formal powers where we judge it is necessary to deliver a fair and appropriate outcome.

We will strive to be innovative with our communication content and engagement with our key audiences to make it relevant and interesting.

Monitoring and Measuring Success

Measuring & Reviewing the Strategic Plan Objectives

We will regularly review our performance against our Action Plan KPI's. We need to have a flexible approach to change and be ready to adapt the right resource in the right place doing the right thing and whether operationally, we have the right priorities throughout the life of the plan.

Quality Assurance and Benchmarking

We understand the importance of measuring performance and tracking progress, and we will ensure we set appropriate qualitative and quantitative KPI metrics that are reliable, accurate and objective.

Mentoring and Employee Development

We will continue to improve internal communication, employee mentoring and personal development in roles. Specific measurable personal goals will align with Sector objectives in the various Action Plans. We will progress our internal communication to improve inclusion and decision making and team review/monitoring of relevant objectives in the Action Plans.



Education and Community

'To inform and engage with our community and form partnerships where appropriate for community involvement and to educate future generations about heritage, land, community and the environment.'

The very ethos of rural estates can be considered to be under threat from various quarters, but many times this is driven by a misconception of what rural estates like Leys Estate can deliver to communities.

We are committed to encouraging a two-way flow of information and education, ensuring the community knows what we do, but also ensuring we can build an understanding of what they want from us.

We need to ensure that the 'story of Leys Estate' is told and is also better understood.

We will align with Scottish Land Commissions' Land Rights and Responsibilities Protocols to improve the transparency, accountability and governance of our land.

Key Objectives

1. Create stronger educational links.
2. Create stronger links and mutual understanding with community groups.
3. Embrace all forms of media.
4. Be an open and transparent business.

