



Ardtornish

Impact Report 2024



Welcome.

Ardtornish has a large landholding, and the impact of our business on both community and society more widely can be greater than its scale, if measured only in financial terms. We're aiming to be more aware of those impacts, transparent in the way that they're reported and accountable for making improvements.

Ardtornish is a 12,000ha land holding and rural business on the west coast of Scotland, occupying the south-eastern corner of the Morvern peninsula in the Highland region, with 21 miles of coastline along Loch Aline, Loch Linnhe and the Sound of Mull. Our core objective is to protect and enhance environmental, economic, and social sustainability.

We have five micro-hydro schemes with combined capacity of 3.4MW, a livestock farming enterprise, tourism business with over 100 beds split between the Grade A Listed Ardtornish House, several holiday cottages and a bunkhouse, a productive kitchen garden, farm shop and long-term residential and commercial leases including the mine run by Lochaline Quartz Sand. Biomass district heating systems supply the mansion house and central buildings complex. Our Achabeag development provided 20 housing sites for people who live and work in the local community, a third of which were affordable,¹ and was described by the chief planner for the Scottish Government as “possibly the most exciting rural development in Scotland”.

This report attempts to measure the impact of Ardtornish on local economic opportunity, the natural and built environment, local housing needs, and community and social cohesion. This first edition provides a benchmark for the business. It's an opportunity to celebrate what we've done well, and to identify areas where we need to improve and set targets for that improvement.

In reporting on our impacts, Ardtornish is committed to measuring and making visible our progress. By a financial measure, we're a small business and this is our first attempt at corporate reporting. We know it isn't perfect and hope to improve and expand this report each year. We welcome your feedback on its content.

¹ Affordable housing is defined in the National Planning Framework as being ‘of a reasonable quality that is affordable to people on low incomes. This can include social rented, mid-market rented, shared ownership, shared equity, housing sold at a discount, self-build plots and low-cost housing without subsidy.

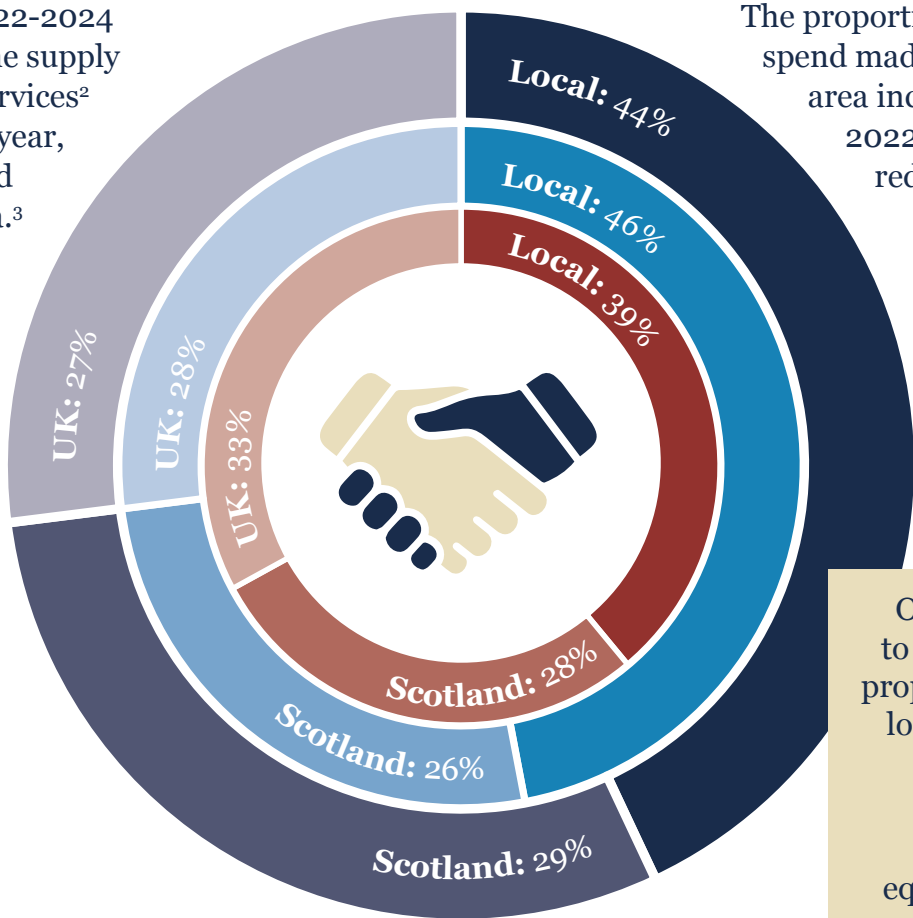
Economic Impacts

➔ Between 2022-2024 our spend on the supply of goods and services² increased each year, as did our spend in the local area.³

The proportion of total spend made in the local area increased between 2022 and 2023, but reduced in 2024.

Totals:

2022	£1,129m
2023	£1,526m
2024	£2,227m



Our target is to increase the proportion of our local spend to

47%

in 2025, equal to 2023.

➔ Ardtornish is committed to providing all employees with the real **living wage**.⁴

Our target is to become Living Wage Scotland accredited in 2025.

Staff costs:

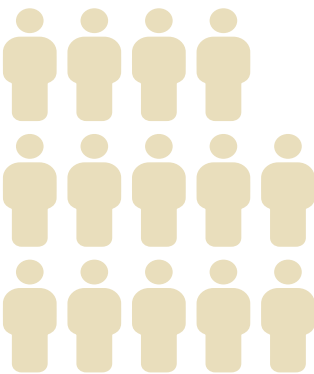
Salaries and wages

2022	£598k
2023	£607k
2024	£651k

Pension and NI

2022	£78k
2023	£90k
2024	£86k

In 2024, Ardtornish employed **14 people** full-time equivalent staff on permanent contracts.



12 members of staff were provided with **accommodation** for them and their families.



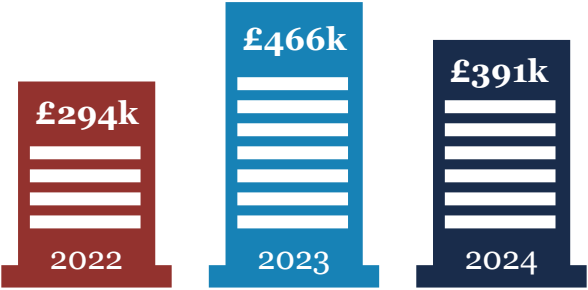
² We haven't included the cost of utilities and insurance in this figure, there being no local market for either.

³ We've defined local area as the Highland Council local authority area, and used the registered office or HQ of suppliers to determine their location.

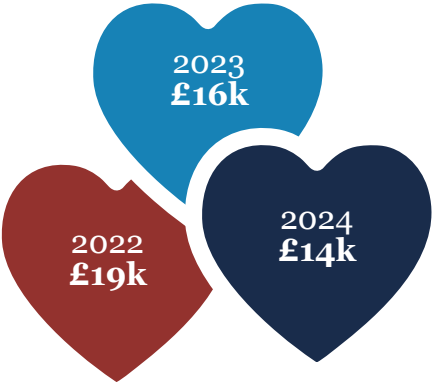
⁴ <https://scottishlivingwage.org/what-is-the-real-living-wage>

Economic Impacts continued

→ Our total contribution to local authority taxes between 2022 and 2024 was **£1.151M**.⁵



→ We made payments averaging a total of **£16k** per year directly to local community funds or causes.



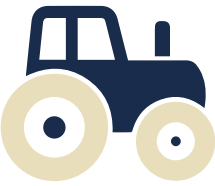
→ The business received a total of

£186k

in agricultural subsidies from the Scottish Government in 2024.



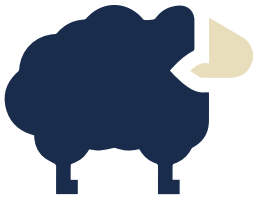
£100k under the Basic Payment Scheme (BPS). The BPS is an area-based income support subsidy for active farmers.⁶



£35k under the Less Favoured Area Support Scheme (LFASS). LFASS provides additional income support to farmers in remote and constrained rural areas.⁷



£39k under the Scottish Upland Sheep Support (SUSS)⁸ and Scottish Suckler Beef Support Scheme (SSBSS).⁹



£12k under the Agri-environment Climate Scheme (AECS) in support of Ardtornish's organic farming enterprise at Inninmore.



→ The business also received **£25k** in forestry grants from the Scottish Government to support the maintenance of 244ha of newly planted native woodland.



⁵ Local authority taxes include council tax and non-domestic rate payments made to the Highland Council

⁶ More information about the BPS can be found here: <https://www.ruralpayments.org/topics/all-schemes/basic-payment-scheme>

⁷ More information about LFASS can be found here: <https://www.ruralpayments.org/publicsite/futures/topics/all-schemes/lfass/#:~:text=The%20Less%20Favoured%20Area%20Support,remote%20and%20constrained%20rural%20areas>

⁸ More information about SUSS can be found here: <https://www.ruralpayments.org/topics/all-schemes/scottish-upland-sheep-support-scheme>

⁹ More information about SSBSS can be found here: <https://www.ruralpayments.org/topics/all-schemes/scottish-suckler-beef-support-scheme>

Local Community & Social Impacts

➔ Last year we provided Ardtornish's facilities for a range of **community events** and **learning opportunities**.



Coastguard training on River Aline



26 miles of footpaths and tracks



Christmas Party in Ardtornish House



Fire Brigade training at Ardtornish House



Use of crushed stone for community projects



Land provided for the Morvern Gun Club and Community Land Association Morvern

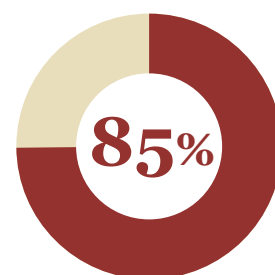


We're aiming to increase the community use of Ardtornish's facilities in 2025 and in particular for education.

➔ Ardtornish is committed to providing the local community with affordable housing.¹⁰ **Including our own staff, we provide 17 families with homes.** We aim to make those homes high quality and we know we need to improve the quality of our housing stock to achieve that aim.



➔ In **2024, 85%** of our long-term occupied houses meet the Repairing Standards.¹¹ We aim to make sure all occupied properties meet the Repairing Standard by the end of 2026.



¹⁰ There's no universal definition of an affordable home. We referred to this research paper published by the Scottish Government in 2019 when thinking about what affordable means in Morvern: <https://www.gov.scot/publications/rent-affordability-affordable-housing-sector-literature-review/pages/3/#:~:text=In%20the%20context%20of%20Scottish,ownership%2C%20shared%20equity%2C%20discounted%20low>

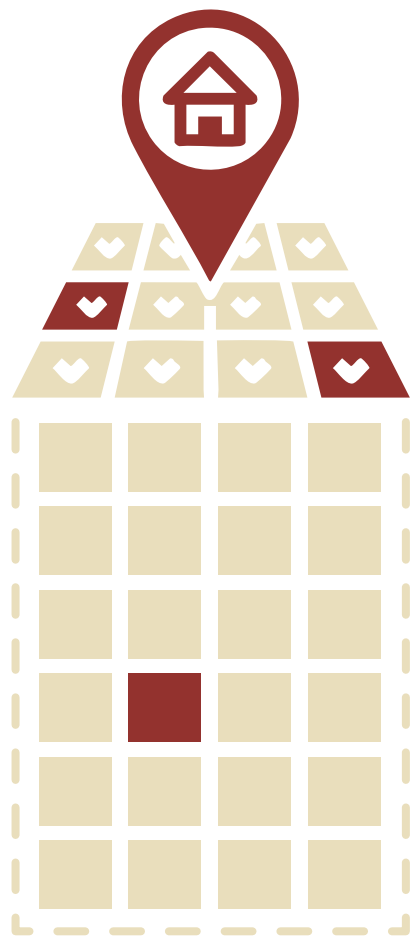
¹¹ <https://www.gov.scot/publications/repairing-standard>

Local Community & Social Impacts

continued

→ We also aim to **diversify home and land ownership** within the local community. We're doing that by considering the **sale of land** to community groups and long-standing tenants, and by **making housing plots available** to staff to build their own homes.

→ In **2022** we sold **40 acres** to long-standing tenants and **1 housing plot** to staff.



→ In **2023** we sold the **47 acre Knock Park**, used for the Morvern Games and Gala Week to the local community - at a discount from market value, and a further **21 acres** to long-standing grazing tenants.

While it didn't contribute to the diversity in land ownership, we also sold a further **6,780 acres** at Be-ach and Clounlaid on the open market for £3.86 million. The proceeds have supported significant reinvestment in Ardtornish's property and landscape. Before the sale, the community was consulted to determine whether it wanted the opportunity to purchase the land off market.



→ There were no land sales in **2024**.

We contributed **£5k to the community** to fund the production of the Local Place Plan,¹² an initiative led by Morvern Community Council as a response to the community's desire to take more ownership and be more involved in and have more control over future development on the peninsula.



This year we're aiming to further increase the diversity of land and home ownership in the local area, having responded to the Highland Council's Call for Development Sites Lochaline, using information gathered by the Local Place Plan to identify land suitable for the development of new homes in and around the village.

¹² <https://www.morvern.org/its-our-future-have-your-say-local-place-plan-morvern>

Environmental Impacts

→ Ardtornish is conscious of its environmental impacts. We're aiming to both reduce our operational environmental footprint and realise the huge potential of the landholding to mitigate the climate crises and reverse nature loss.

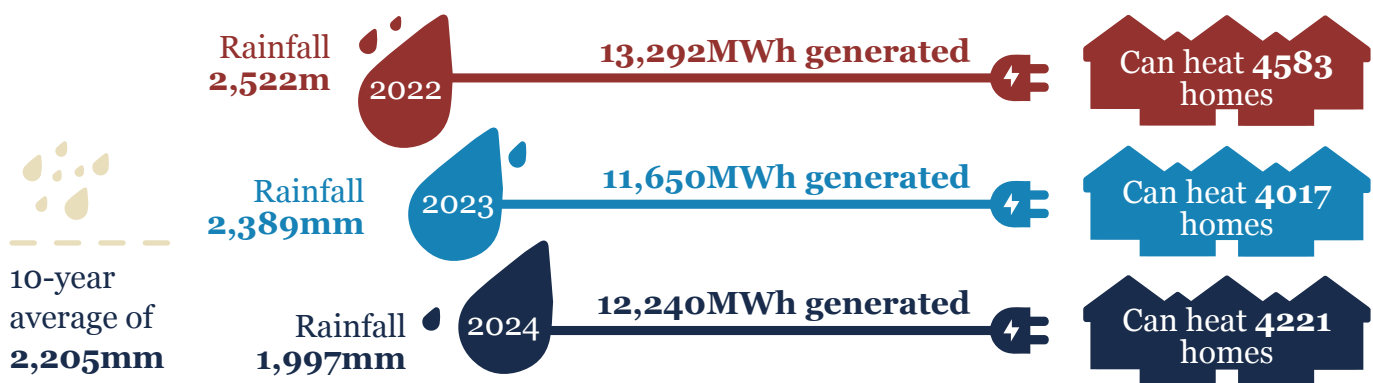


One of our targets for 2026 is to complete a greenhouse gas emissions baseline for the business, which we'll use to set targets for their reduction and a strategy to achieve those reductions.



We'll include the data from the baseline assessment, along with our emissions reduction targets in next year's report. That will include data on the extent of our peatlands and the emissions generated by areas still in a degraded state.

→ A large part of the Ardtornish business is the generation of renewable energy and heat.



→ We don't have a low voltage network allowing us to supply our properties with the electricity generated by our hydro schemes, so it's purchased from the National Grid.

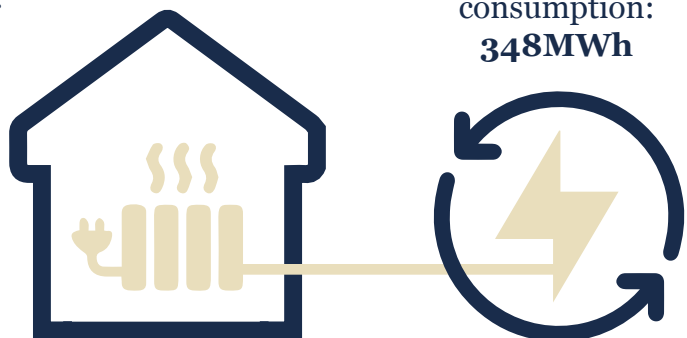
26 properties supplied from a central 100% renewable electricity supply contract.

That allows us to track consumption in those properties, **8** of which are heated by electricity.

Total electricity consumption: **348MWh**

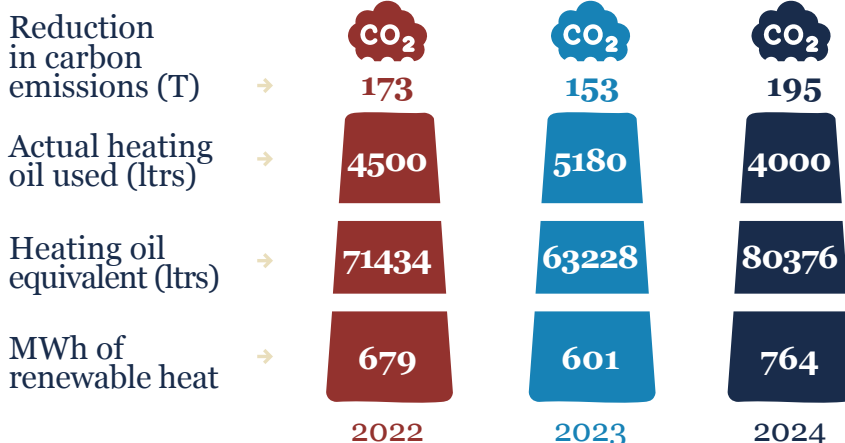
We're aiming to increase the number of properties with electric heating and are exploring the viability of installing a low voltage network so that we can supply our properties with electricity generated by the Hydros.

30% of properties on electric heating

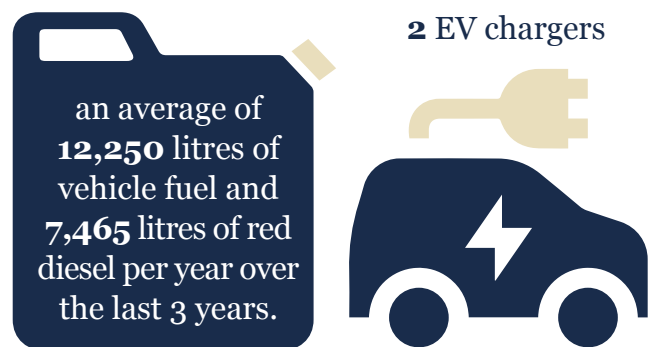


Environmental Impacts continued

Our biomass district heating scheme produces renewable heat equivalent to burning **63,331 litres** of heating oil each year, **cutting CO₂ emissions by 163 tonnes.**

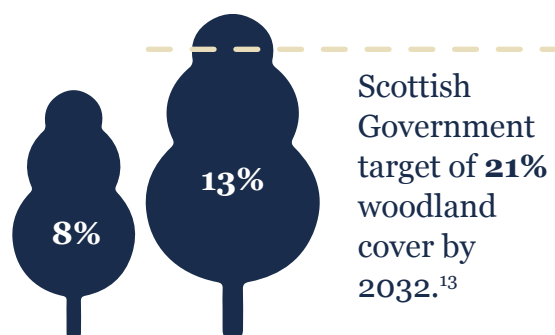


→ The business used...



To reduce the emissions from vehicles, we'll look to **expand our EV fleet** and to make sure that visitors to Ardtornish can travel more sustainably, we'll increase the number of EV chargers.

→ Currently 8% of Ardtornish is covered by woodland. We aim to **increase woodland cover to 13% by 2033** by both encouraging natural regeneration and planting native trees selected to be suitable for Ardtornish's landscape and weather conditions.



→ Ardtornish is ecologically significant, and we have **5 sites** that are designated for their national and international importance – 2 partly, and 3 entirely on land owned by Ardtornish.



The designated sites are **surveyed at intervals** to assess their condition. Ardtornish has a legal obligation to keep those sites in a **good condition**.

All the designated sites are currently classified as being in **unfavourable condition**. The main cause is over grazing, by both sheep and red deer. Our objective is to bring all designated sites into a state of recovery by 2027.

¹³ <https://www.nature.scot/professional-advice/land-and-sea-management/managing-land/forests-and-woodlands/woodland-expansion-across-scotland>



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