



REVIEW BY THE CHAIR OF YEAR TO 30TH SEPTEMBER 2017

Introduction

This was another successful year for the Trust, a fully independent charity.

The following is a brief review of the Trust's activities: more detailed information, is available both on the Trust website <http://www.macaulaydevelopmenttrust.org/> and in the formal annual report.

The key aim of the Trust is to support research into the sustainable use of land and natural resources for the benefit of people, their communities and the environment. The objectives of such research include: improving the understanding of the physical, chemical and biological components of soils, waters and the atmosphere; investigating economic and social inter-relationships to provide the bases for resource management decisions; and developing strategies for land management and resource use.

Our work throughout the year therefore reflected these priorities.

Macaulay lecture

A highlight of the year was the annual Macaulay lecture, given to stimulate thinking and dialogue about contemporary environmental issues, and to honour the vision of Dr T B Macaulay, whose original endowment founded, in 1930, the Macaulay Institute for Soil Research.

This year's lecture, '*The UN Sustainable Development Goals and the dynamics of wellbeing.*', was held at the Dynamic Earth, Edinburgh on 13th October and given by Prof Robert Costanza, Professor and Chair in Public Policy at the Crawford School of Public Policy of the University of Canberra.

The publication of the Sustainable Development Goals in 2015 was an expression of a global consensus regarding a desired pathway for the future. Prof Costanza argued that to achieve the objectives in the report requires the development of three additional elements: new aggregated indicators or measures of human and ecosystem well-being; new dynamic models of the integrated system of humans and the natural world; and innovative ways to build broad public consensus on the future we want and best to achieve this.

The lecture was attended by scientists and policy makers from across Scotland, and beyond.

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<http://www.hutton.ac.uk/events/39th-tb-macaulay-lecture-un-sustainable-development-goals-and-dynamics-well-being>

Grants

The Trustees continued to award grants to both the James Hutton Institute, with whom it has a close working relationship due to its shared history and due to the pre-eminent position of the institute in the fields of interest to the Trust, and other organisations. It gave over £1m, including commitments made in previous years, in grants during the year.

The grants awarded during the year included funding a PhD in the mineralogical modelling of clay soils, the TB Macaulay Fellowship in Natural Capital Accounting with an associated PhD, a short-term project to explore the potential of citizen social science for research on land use management and community food production, and some capital funding for digital technology.

Other grants including one to the Royal Society of Edinburgh towards the cost of “Spotlight on Scotland’s Biodiversity” conference because of its connections to our purposes, and discernible outcomes.

<https://www.rse.org.uk/event/spotlight-scotlands-biodiversity/>

The Trust also supported the Scottish Wildlife Trust towards the cost of making a film for the World Forum on Natural Capital conference.

<https://www.youtube.com/watch?v=Uvm04M5YXgo>

Management

The Trustees met four times during the year, being advised by Audit, Grants and Investment Committees, and continued to manage the Trust to generate the income to be distributed in grants.

The Trustees held a strategic review in April 2017 and identified several actions to take forward to ensure the continued impact of their grants.

A review of the risks the Trust faces was initiated and a risk register is being finalised.

The Trustees, conscious that several of them were due to stand down by rotation in 2018, undertook succession planning.

The Trustees reviewed their investment policy, and, after taking advice, agreed to adopt an ethical policy. Drivers for this included: the reputational risk of investing in

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activities which were contrary to their stated purposes; the illogicality of, on one hand funding research into areas of concern, while at the same time investing in that activity; and thirdly the morality of some forms of investment. It was agreed to adopt the following policy:

- Avoid investment which raised issues of fundamental human rights (e.g. involvement with companies associated with oppressive regimes and companies using child labour and/or with a poor record on working conditions)
- Avoid companies with a high negative environmental impact
- Positive screen a percentage (perhaps 20%) of the portfolio.

The Trusts owns investment property and associated land in Aberdeen and during the year several properties became vacant. Two were extensively refurbished for letting on the open residential market, while the opportunity was taken to rationalise the estate by the sale of an outlying bungalow.

The Trustees also funded a report into the management of its open land, so that it could be managed to the highest environmental standards.

Conclusion

The Trust is a well-established and governed charity. It is committed to support research into the sustainable use of land and natural resources for the benefit of people, their communities and the environment continues.

Following this report, I will retire from the Trust, having served as a Trustees since March 2009 and Chair since September. It is pleasing to note the work done by the Trust, and reassuring to leave the Trust in excellent hands.

Eric G Baird
Chair
30th March 2018

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The Trust (Scottish Charity No SC023988) supports excellent research into the sustainable use of land and natural resources, for the benefit of people, their communities and the environment.