

King's and Lord Treasurer's Remembrancer Business Plan Financial Year 2024-25

1. Introduction

The King's and Lord Treasurer's Remembrancer (KLTR) is the Crown's representative in Scotland with authority to deal with ownerless property falling to the Crown by operation of law. The KLTR decides whether, and how, to apply Crown rights to Scottish property that has been rendered ownerless, which includes assets of dissolved companies, the estates of heirless individuals, and treasure trove.

The KLTR, as the Crown's representative, can elect to exercise rights over ownerless property we are made aware of but is not obliged to do so and has wide discretion on this point. Alternatively, the KLTR may elect not to apply Crown rights over property or disclaim it. Ultimately, we apply Crown rights only where we are satisfied that to do so is responsible and appropriate, finding a balance between KLTR priorities and managing potential risk both to the Crown and to the public funds held by us.

2. Strategic Plan

We published our first formal [Strategic Plan](#) at the end of March 2024. This plan outlines our overall vision for the office, our values and the strategic objectives we have chosen to focus on over the next three financial years from April 2024 - March 2027. When developing the Strategic Plan, we consulted with the KLTR staff, our Board, and stakeholders.

Our vision, as contained in our Strategic Plan, is to be a creative, adaptive, and fit for purpose organisation that is recognised for delivering better outcomes for Scotland's public benefit. We aim to travel towards this vision over the next three years by focusing on achieving our strategic objectives and honouring our main values to assist us along the way: integrity, collaboration, respect and innovation.

This business plan defines the actions we plan to take this year to take us closer to achieving our strategic objectives and, ultimately, our vision for the KLTR. The strategic objectives from the 2024-2027 Strategic Plan are summarised as follows:

1. Improve Scotland's economy and the wellbeing of its inhabitants by providing opportunities to bring ownerless property back into use.

We are modernising and diversifying our approach to bringing ownerless property (*bona vacantia*) back into ownership and use. On 1 March 2024, the KLTR launched the Ownerless Property Transfer Scheme (OPTS), which will create opportunities for public bodies, local authorities and communities to work collaboratively to take ownership of ownerless properties notified to the KLTR and to determine how these properties should be used to benefit the local community. Across its work, the KLTR reserves the position that it may elect not to deal with, or disclaim, any property brought to KLTR's attention.

2. Lead a successful, transparent and adaptive Scottish Treasure Trove system with a focus on preserving and sharing Scotland's archaeological heritage.

A team has been created within the KLTR office to review and reform the current Treasure Trove system and processes. The purpose of the Review is to modernise the system and

then the Code of Practice to make them clear, accessible, and adaptive to ensure they will be resilient for the years to come.

3. Strengthen and modernise our delivery.

We want to increase awareness of the KLTR and its functions at a national level and to stand out as an exemplary, modern, adaptable public sector organisation with the appropriate resources and connections to deliver successful outcomes.

3. Challenges

There are a number of challenges we face and need to be mindful of when planning for the year ahead.

2.1 Effects of the economy

We are experiencing a higher demand on our reserves than before. This is due, largely, to the state of the economy: we are receiving less in receipts of ownerless property overall and there are higher volumes of claims being made on property and assets that have fallen to the Crown and are being held or dealt with by us.

3.2 Resource required

A lot of our casework is more complex than before and the type of work we are doing has evolved and continues to do so. This requires us to continue looking to diversify the internal skillset of the Office and identify the necessary and proportionate external support.

Linked with the above listed challenge, our resources are running lower than in previous years. We are needing more specialised internal and external expertise to assist us with managing our funds and forecasting how external affairs could impact our reserves.

The Treasure Trove Review will report and issue its recommendations during 2024-25. Moving from the review phase to implementing reform will require reassessment of the resources available to the system from KLTR, the Scottish Government and other sources. Overall, we require more resource and expertise (inhouse and externally) to run the operational side of the KLTR than three years ago and are having to work with less income than we have been used to.

3.3 Policy

Policy challenges for the KLTR generally stem from political, economic, and legislative change and uncertainty. These are expected to be particularly acute in the 2024-25 financial year and will require a strategic approach to communication and stakeholder relations.

New proposals under the Scottish Government's Land Reform agenda will require ongoing consideration for KLTR interests, particularly on public interest, sustainable development and community landownership generally, as will the forthcoming review of the Community Right to Buy legislation. KLTR staff will continue to liaise with key stakeholders and monitor developments to influence policy and ensure the KLTR's interests are represented.

The OPTS, the Treasure Trove Review and other priorities will inevitably attract closer scrutiny and challenge of KLTR policies and actions laid out in this plan are taking these challenges into account.

4. Priorities for 2024-2025

We have set the following as priorities for this year to help us achieve our strategic objectives from our Strategic Plan. This work will be carried out in addition to our usual day-to-day administrative and operational work. Progress towards achieving these priorities will be measured against this business plan. The tables to follow for each strategic objective list milestones. These are specific achievements which will measure progress towards the connected priority, overall taking us closer to meeting the strategic objectives as a whole.

4.1 Strategic Objective 1: Improve Scotland's economy and the wellbeing of its inhabitants by providing opportunities to bring ownerless property back into use.

Action no.	Priority	Milestone
1	Support the operation of the new OPTS casework team and monitor casework levels.	Ensure new OPTS casework team members are appropriately trained and established in taking forward OPTS.
2	Finalise transition of any remaining pilot test cases to live OPTS process.	Ensure remaining pilots are transferred to the appropriate stage in the OPTS process.
3	Deal with bona vacantia property options in a way that best serves the public interest and process properties not suitable for OPTS under our existing BV policies, which will continue to be reviewed and updated as necessary.	<p>Monitor and review OPTS Team contributions to the weekly casework procedure for determining options for dealing with bona vacantia properties within four months of the OPTS being launched.</p> <p>Publish annual summary of KLTR receipts derived from bona vacantia.</p> <p>Publish changes to external policies on dealing with ownerless property.</p>
4	Work with our delivery partners to ensure that the OPTS attracts high quality applications, providing maximum opportunities for local communities in the first year of the OPTS.	<p>First OPTS Advisory Panel dealing with live cases.</p> <p>First round of outreach activity with local councils.</p> <p>Monitor effectiveness of community co-ordinator network.</p>
5	Increase OPTS visibility and strengthen our dialogue with existing and new stakeholders to ensure the scheme is responsive, remains fit for purpose and	Review first month post-launch media response to OPTS.

Action no.	Priority	Milestone
	establishes the KLTR at the centre of the land use and community empowerment landscape.	Quarterly post-launch Stakeholder Forum meetings and key stakeholder discussions commencing. Comms activity to coincide with successful OPTS transfers.
6	Continue developing the Scheme as it becomes “business as usual”, evaluating short- and medium-term benefits and establishing the KLTR as a key influencer in areas relating to ownerless property (e.g. government, funding).	Monitor OPTS strategies established and put in place. Provide OPTS progress reports to the KLTR Board. Publish OPTS Pilots Report on KLTR website. Six-month internal review of OPTS.
7	Engage with the Scottish Government’s land reform agenda, representing the KLTR’s interests.	Discuss developments with Scottish Government colleagues and monitor Community Right to Buy review. Review land reform agenda for KLTR’s interests.

4.2 Strategic Objective 2: Lead a successful, transparent, and adaptive Scottish Treasure Trove system with a focus on preserving and sharing Scotland’s archaeological heritage.

Action no.	Priority	Milestone
1	Complete Treasure Trove Review stakeholder engagement and public consultation.	Conduct stakeholder workshop meetings on key areas of policy reform. Closure of public consultation. (13 May 2024) Analysis of public consultation responses.
2	Draft Review report and recommendations.	Advisory Group meeting.
3	Report and recommendations of Treasure Trove Review finalised.	Report submitted to KLTR.
4	Plan a reform programme for implementation of accepted recommendations.	KLTR and stakeholder responses to report and recommendations.
5	Commence formal review and revision of the Code of Practice.	Task and finish group set up to draft revised Code.

Action no.	Priority	Milestone
6	Resource and support operation of the Treasure Trove Unit (National Museums Scotland) at temporary establishment.	Quarterly monitoring of backlog clearance, numbers of new finds reported and cases completed overall.
7	Redesign Annual Report.	Report launched.

4.3 Strategic Objective 3: Strengthen and modernise our delivery.

Action no.	Priority	Milestone
1	Create a governance framework document.	Publication of the governance framework on our website.
2	Ensure adequate measures, controls and oversight regarding risk are in place.	Conduct a thorough review exercise of the strategic risk register and create operational risk registers. Establish registers review frequency.
3	Collaborating with similar organisations across the UK to explore areas of mutual interest and opportunity and build connections amongst officials.	Promote and take forward first meeting event of legal officials from across the UK bodies that represent the Crown concerning bona vacantia, or equivalent collaborative activity.
4	Influence policy development and public sector improvements in areas relevant to our work.	Creation of a KLTR communications strategy.
5	Embrace the opportunities afforded by developments in technology effectively and respond to changes in technology.	Encourage all staff to attend trainings on effective IT software use. Identify opportunities to participate in discussion about artificial intelligence technology in the public sector and take forward as appropriate. Open discussion with COPFS Information Services Division about potential improvements to KLTR's case management system, with view to implementation.
6	Attract and retain the right people, skills, and knowledge for the organisation.	Regular engagement with all staff highlighting relevant professional and career development opportunities. See an increase staff uptake in trainings relevant to their respective roles.

Action no.	Priority	Milestone
		Create processes and communication methods whereby all staff are kept informed of and included in decision making affecting their work.
7	Actively monitor and manage the financial position of the office.	Creation and publication of our financial strategy on our website. Work with Fraser of Allander Institute to review KLTR's business levels forecasting.

5. Financial Resource and Forecast

The KLTR's operations and supporting staff are entirely self-funded by net surpluses generated from ownerless property receipts. Surplus KLTR funds are contributed to the Scottish Consolidated Fund, the process for calculating the reserve level is governed by a minute of understanding with the Scottish Government.

The financial operating environment

There have been noticeable changes to KLTR's cashflow in the preceding financial year (FY 2023/24). Overall, the KLTR took in noticeably fewer receipts, down 32%, compared with the two previous year's annual total receipts. Our performance generally reflects the economic situation in Scotland and in the wider UK, which affects our receipts in different ways and to different timescales:

- Historically, KLTR's receipts from dissolved companies has tended to lag around 2-3 years from the relevant economic event before beginning to manifest as general relevant rises or falls in receipts, and here our receipts likely reflect the recent various macro events affecting the economy around the beginning of 2021 and onwards: i.e., the COVID pandemic, Brexit, the war in Ukraine, and energy price and bank interest rate increases which, in turn, has resulted in less money remaining in UK registered company accounts at the time of dissolution. We could well see a similar level of receipts in the 2024/25 financial year while the broader macro picture remains challenging.
- Also tied in with interest rate increases, more recently, there has been a decline in Scottish residential and commercial property market activity. This is reflected, in turn, in the lower number of property referrals to us the previous financial year. Our main source of heritable property referrals is where a bona vacantia issue is identified in a standard transaction. A more positive outlook for the Scottish property market has been forecast by some commentators for 2025 and 2026, including our property advisers Avison Young, on the assumption interest rates will begin to fall towards the end of Q4 2024/25.
- Again, more recently, the recent economic environment has produced a significant increase in professional "heir hunter" firm activity. For a fee, these firms will identify relatives to deceased individuals whose estates have been wound up by the Crown. The heir hunter market is competitive, so we can expect this trend to continue into the new

financial year. We are seeing firms going after increasingly smaller value estates, which could add further pressure to our reserves.

To help improve our financial and operational forecasting in future years, we have commissioned a team of economists at Fraser of Allander Institute¹ to help KLTR develop its forecasting model against what is a complex and challenging macroeconomic background. That work will begin later in Q1. In the meantime, we have assumed that our financial performance in the next financial year will be along similar lines to the previous year and, in broad terms, we have taken into account the “economic lag” in our dissolved company receipts work and the impact of the current economic outlook on our other reactive activity.

¹ [Fraser of Allander Institute | University of Strathclyde](#)