

2021-23 Climate Change Action Plan



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1. Foreword

Welcome to Crown Estate Scotland's first Climate Change Action Plan ('the Plan').

We are proud to set out our commitment to helping address Scotland's climate emergency, identifying the action we will take to reduce our greenhouse gas emissions and adapt to climate change. This commitment is integral to our purpose of investing in property, natural resources and people to generate lasting value for Scotland.

Our Plan is an important milestone for the organisation in our journey towards net zero emissions.

We are not a large public sector organisation but we have big ambitions and will be proactive in fulfilling our climate change duties – and going beyond wherever possible.

This Plan sets out our statutory reporting requirements and defines our corporate emissions. It commits Crown Estate Scotland to a range of actions to address direct and indirect emissions at our offices in Edinburgh and Glenlivet, and across our operations including our business travel.

The Plan also sets out how we will work with our tenants and partners across the assets – coastline, land, seabed and more – that comprise the Scottish Crown Estate, including our work on offshore renewable energy and the contribution this will make to reducing emissions nationally.

Importantly the Plan states our commitment to reaching zero direct emissions by 2040, five years ahead of the Scottish Government's 2045 net zero target.

Populations likely to be impacted the most by climate change, such as those dependent on agricultural or coastal livelihoods, are often those already disadvantaged and vulnerable. We recognise that the journey to net zero must be a just transition whereby emissions are reduced in a way which tackles inequality and promotes fair work.

Some of our work, particularly on offshore renewable energy, has significant potential to attract inward investment and create jobs, promoting a just transition to a lower carbon economy as part of the green recovery.



A series of case studies are included in the Plan showcasing action we are taking and setting a context for how we will address climate change in the years ahead.

We fully support Scottish Government's ambitious and world leading targets for reductions in greenhouse gas emissions and we look forward to collaborating with public sector bodies, Crown Estate Scotland tenants, communities and other partners to help make Scotland a net zero nation.

**Amanda Bryan, Chair
Crown Estate Scotland**

2. Executive Summary

This Plan – Crown Estate Scotland’s first Climate Change Action Plan – sets out how Crown Estate Scotland will reduce its greenhouse gas emissions and adapt to climate change.

The Climate Change (Duties of Public Bodies: Reporting Requirements) (Scotland) Amendment Order 2020 added Crown Estate Scotland to the list of public bodies required to report to the Scottish Government on their emissions.

This Plan defines the emissions Crown Estate Scotland will report on, explaining our corporate reporting boundary. We will begin monitoring our emissions in April 2021 and report to the Scottish Government by November 2022. The Plan also sets out our commitment to reach zero direct emissions by 2040.

The actions set out in this document address both our direct and indirect emissions and how we will work with partners and stakeholders to reduce emissions across the Estate and nationally. Offshore energy can make a significant contribution to emissions reduction and the Plan sets out Crown Estate Scotland’s unique role in supporting the sector.

The Plan also features several case studies on action we have taken or are already taking to address climate change, helping to set the context for this Plan.

The following table summarises the key actions set out in this Plan.

| Action | Section in Plan | Timescale |
|--|--|--|
| Complete a carbon audit of the Glenlivet Estate | 7.1 Actions to address direct and indirect emissions | March 2021 |
| Implement a new approach to considering financial and wider value benefits in decision-making | 8. Actions to address wider emissions | March 2021 |
| Review energy efficiency status in directly let residential properties | 8. Actions to address wider emissions | March 2021 |
| Establish Glenlivet Estate future land use master planning project | 8. Actions to address wider emissions | March 2021 |
| Develop green office plans for Glenlivet and Edinburgh offices | 7.1 Actions to address direct and indirect emissions | December 2021 |
| Develop a green travel plan | 7.1 Actions to address direct and indirect emissions | December 2021 |
| Identify potential woodland creation sites on the rural estates | 8. Actions to address wider emissions | March 2022 |
| Promote sustainable and diverse agricultural businesses | 8. Actions to address wider emissions | March 2022 |
| Complete Feith Mussach Peatland restoration project | 8. Actions to address wider emissions | March 2022 |
| Identify investment opportunities for renewables across rural estates | 8. Actions to address wider emissions | March 2022 |
| Complete identified repair maintenance and improvement projects in estate infrastructure | 8. Actions to address wider emissions | March 2022 |
| Identify our emissions baseline | 7.1 Actions to address direct and indirect emissions | November 2022 |
| Submit our first climate change report to Scottish Government | 7.1 Actions to address direct and indirect emissions | November 2022 |
| Incorporate home working options and the use of digital communication platforms into normal working practice | 7.1 Actions to address direct and indirect emissions | Ongoing |
| Implement and manage seabed agreements for cables and pipelines, and offshore renewable energy projects | 9. Offshore energy | Ongoing and March 2023 |
| Invest in measures to remove sector-wide barriers to further offshore wind investment | 9. Offshore energy | Ongoing but with some projects completed by March 2023 |
| Work in partnership to develop existing and emerging technologies | 9. Offshore energy | Ongoing |
| Manage £10m investment in the MeyGen tidal energy project | 9. Offshore energy | Ongoing |
| Work with others to identify opportunities to maximise and enable offshore wind (fixed and floating) | 9. Offshore energy | Ongoing |
| Implement sustainable procurement duty | 7.1 Actions to address direct and indirect emissions | Ongoing |
| Consider measures to reduce emissions at Crown Estate Scotland property at 39-41 George Street, Edinburgh | 7.1 Actions to address direct and indirect emissions | Ongoing |
| Advance opportunities for built development projects on existing rural land | 8. Actions to address wider emissions | Ongoing |
| Consider options for introducing more climate friendly utility vehicles and machinery at Glenlivet and Fochabers | 7.1 Actions to address direct and indirect emissions | Long term |

3. Introduction

3.1 Crown Estate Scotland

Crown Estate Scotland is a public corporation established in 2017 and governed by the Scottish Crown Estate Act 2019. We manage property – including buildings, land, coastline and seabed – on behalf of the Scottish people. Together the assets form the Scottish Crown Estate ('the Estate').

Our purpose is investing in property, natural resources and people to generate lasting value for Scotland.

We have a statutory duty to maintain and seek to enhance the value of the assets and the income arising from them in the way best calculated to further the achievement of sustainable development in Scotland and in a way that is likely to contribute to the promotion or the improvement in Scotland of economic development, regeneration, social wellbeing and environmental wellbeing.

The Estate includes:

- Leasing of virtually all seabed out to 12 nautical miles covering some 750 fish farming sites and agreements with cables & pipeline operators;
- Just under half the foreshore around Scotland including 5,800 moorings and some ports and harbours;
- The rights to offshore renewable energy and gas and carbon dioxide storage out to 200 nautical miles;
- 37,000 hectares of rural land over four estates (Applegirth, Whitehill, Glenlivet and Fochabers), with agricultural tenancies, residential and commercial properties and forestry;
- Rights to fish wild salmon and sea trout in river and coastal areas;
- Rights to naturally occurring gold and silver across most of Scotland;
- Retail and office units at 39-41 George Street Edinburgh; and
- The Zero-Four development site near Montrose.

We lease land and seabed for a variety of uses including farming, ports and harbours, mineral operations, infrastructure (e.g. pipelines and telecommunications cables), and renewable energy generation. Forestry assets on the Estate are largely directly managed rather than being let. We work with a wide range of partners across the Scottish Crown Estate including managing agents, contractors, local authorities, public bodies, tenants and local communities, businesses and industry, and the Scottish Government.

As at November 2020, we have eight Board members and 55 members of staff. We have offices in Edinburgh and Glenlivet, and operations there and across the Estate generate direct and indirect greenhouse gas emissions.

We work with tenants and partners to:

- Generate prosperity and value for all of Scotland;
- Support the growth of sustainable business and industry in Scottish seas and on the coast;
- Make places better for those who live, work and visit there;
- Promote sustainable ways of producing energy, food, and other products; and
- Create opportunities for people to use and benefit from the Scottish Crown Estate.

As such there is scope for us to influence and impact the emissions of our tenants and partners and action is set out on this in this Plan.

3.2 Policy context

In April 2019, Scotland's First Minister declared a global climate emergency, making Scotland one of the first countries in the world to do so. Following this, the Scottish Government set a target for net-zero greenhouse gas emissions¹ by 2045, with interim targets of 75% by 2030 and 90% by 2040.

These targets were enacted through the Climate Change (Emissions Reduction Targets) (Scotland) Act 2019 which amends the Climate Change (Scotland) Act 2009. Part 4 of the 2009 Act sets out public bodies' climate change duties. These include requirements for public bodies to act:

- in the way best calculated to contribute to the delivery of the targets in the Act; and
- in a way that it considers is most sustainable.

The Climate Change (Duties of Public Bodies: Reporting Requirements) (Scotland) Amendment Order 2020 ('the 2020 Order') requires every public sector body to define the year by which they expect to have reached zero for their direct emissions (i.e., those emissions Crown Estate Scotland directly generates). It also adds Crown Estate Scotland to the list of bodies required to report to Scottish Government on their emissions.

In December 2019, Crown Estate Scotland committed to develop our first Climate Change Action Plan and we subsequently included that commitment in our [2020-23 Corporate Plan](#).

¹ The Climate Change (Scotland) Act 2009 lists Greenhouse Gases as - carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, sulphur hexafluoride, perfluorocarbons, nitrogen trifluoride.

This Climate Change Action Plan sets out how Crown Estate Scotland as an organisation will prepare for changes in our climate, meeting statutory climate change requirements and helping Scottish Government to meet its ambitious climate change targets.

3.3 Approach

The Plan details how we will build on our work to date, integrating environmental and climate change impacts into our wider decision making.

It is clear to us that climate change requires action regardless of statutory requirements. Populations likely to be impacted the most by climate change are often those already disadvantaged and vulnerable.

Local communities dependent on agricultural or coastal livelihoods are also at heightened risk of the impacts of climate change (Intergovernmental Panel on Climate Change, 2018).

The journey to net zero must be a just transition whereby emissions are reduced in a way which tackles inequality and promotes fair work. The design of ScotWind, Scotland's first offshore wind leasing round for a decade, to incorporate supply chain commitments from developers is just one example of how we are promoting social and economic benefits alongside emissions reductions, contributing to the green recovery.

3.4 Scope of this Plan

The Plan sets out the following key aspects of our commitment to net zero:

- Our target date for achieving zero direct emissions of greenhouse gases;
- Our Scottish Government climate change reporting requirement; and
- The contribution our wider activities can make to Scotland's progress towards its net zero targets.

The Plan identifies short and medium-term actions to reduce our emissions as well as ongoing and long-term actions we will take. It also details our activities that are particularly relevant to Scotland's net zero targets, such as ScotWind and our natural capital work.

Our approach to integrating the wider value, in particular environmental and climate change factors, in our decision making is also set out.

This Plan aligns with the timescales of our 2020-23 Corporate Plan. Future Climate Change Action Plans will also be aligned with our corporate plan timescales, and we will report on progress in our Annual Report & Accounts ('Annual Report').

Net Zero Principles

In line with guidance from the Scottish Government's Environment and Economy Leaders Group, we will adopt the following principles² in our journey to net zero:

- Focus on emissions reduction ;
- Tackle our whole environmental footprint;
- Use best evidence;
- Work collectively, share successes and build expertise; and
- Ensure that climate action delivers wider benefits (in line with a just transition, supporting a green recovery).

Although this plan is focussed on reducing emissions, actions set out will deliver wider environmental benefits such as protecting or enhancing biodiversity.

3.5 Plan structure

The Plan is structured as follows:

Section 1 Zero emissions target – setting out the date by which we propose to reach zero direct emissions.

Section 2 Climate change reporting requirements – setting out our reporting requirements as detailed in legislation and defining the meaning of corporate, direct and indirect emissions.

Section 3 Corporate emissions – clarifying our corporate reporting boundary and our corporate emissions.

Section 4 Actions – how we will address our corporate emissions, wider emissions across the Scottish Crown Estate, and actions specific to our role in offshore energy.

Section 5 Reporting – our approach to reporting on progress against actions.

A series of case studies are included in the Plan to demonstrate work we are doing, or have already done to address climate change, in addition to the actions outlined in this Plan. These case studies also help to contextualise some of the different actions set out in the Plan.

² These principles are as set out in the Environment and Economy Leaders Group Climate Change Narrative. The Narrative is still in development and these principles may be subject to change after this Plan has been published.

4. Zero emissions target

The Climate Change (Duties of Public Bodies: Reporting Requirements) (Scotland) Amendment Order 2020 ('the 2020 Order') requires that every public sector body will define the year by which they expect to have reached zero for their direct emissions. We have set this at **2040**. We will however keep this target under review and may bring the date forward as our understanding of our baseline emissions and how to address them develops.

The target is an absolute zero rather than a net zero target, requiring the removal of emissions without any offsetting measures. This takes into account the need for technology and infrastructure to develop before we can address some sources of our direct emissions (e.g. our diesel powered JCB or the need for vehicles used on our rural estates to be able to access electric charging points).

The 2020 Order also requires that by November 2022, public bodies should report "targets for reducing *indirect* emissions of greenhouse gases". This Plan sets out actions relevant to reducing our indirect emissions and we will develop targets for reducing our indirect emissions by November 2022.

5. Climate change reporting requirements

From 2021, Crown Estate Scotland is required to report annually on compliance with the climate change duties set out in the Climate Change (Scotland) Act 2009.

The 2009 Act requires public bodies to contribute to climate change mitigation and to climate change adaptation³, and to act sustainably. As such we are required to report on greenhouse gas emissions and their reduction, on what we are doing to address adaptation and how our approach to procurement is addressing climate change.

In accordance with the 2020 Order, we will begin monitoring our emissions in April 2021 and report on the first year through the Scottish Government reporting platform by November 2022.

5.1 Corporate Emissions

The Climate Change (Scotland) Act 2009 requires that we report on our *corporate* emissions. Corporate emissions, as defined by the Greenhouse Gas Protocol⁴, are those which relate directly to Crown Estate Scotland's assets and activities. They are divided into *direct* (Scope 1) and *indirect* (Scopes 2 and 3) emissions.

Direct emissions (Scope 1) include activities owned or controlled by Crown Estate Scotland that release emissions directly into the atmosphere.

Indirect emissions include emissions that are a consequence of the activities of Crown Estate Scotland but occur at sources owned or controlled by another entity. Indirect emissions are split into Scope 2 and Scope 3 emissions:

- **Scope 2** (Energy indirect) emissions are those associated with Crown Estate Scotland's consumption of purchased electricity, heat, steam and cooling. These are indirect emissions that are a consequence of Crown Estate Scotland's activities, but which occur at sources we do not own or control e.g. an electricity power station.
- **Scope 3** (Other indirect) emissions are also those that are a consequence of Crown Estate Scotland's activities and occur at sources which we do not own or control and which are not classed as Scope 2 emissions. Examples of Scope 3 emissions include business travel, waste disposal or purchased materials or fuels.

While Crown Estate Scotland is required to report against both direct and indirect emissions, our target for zero emissions by 2040 relates only to our direct emissions. As stated, however, we also set out action in this Plan that will reduce our indirect emissions.

³ The Intergovernmental Panel on Climate Change (IPCC) defines adaptation as: 'adjustments in natural or human systems in response to actual or expected climatic stimuli or their effects, which moderates harm or exploits beneficial opportunities'.

⁴ [The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard Revised Edition](#), World Resources Institute; World Business Council for Sustainable Development, 2004.

6. Identifying our corporate emissions

6.1 Corporate boundary

For the purposes of our reporting requirements, we have defined the extent of our corporate emissions ('our corporate boundary'). Our corporate emissions relate to our office accommodation in Edinburgh and in Glenlivet, to travel associated with Crown Estate Scotland activity, and to the Estate work that we lead on. This is explained as follows:

Edinburgh Office

Crown Estate Scotland is moving to new rented office accommodation in Edinburgh, with occupation in 2021. We will share the building with several other tenants. Despite our tenancing arrangements meaning we are not directly responsible for paying our electricity, waste and water bills, we will aim to report on our emissions and to take measures to reduce these.

New office premises

CASE STUDY

The brief developed for our new offices in Edinburgh included the requirements to:

- retain a centrally located office to enable travel by public and sustainable transport for staff and visitors wherever practicable
- have bike storage and showers/changing facilities to support those actively travelling to the office

Our new office at Quatermile 2 met this brief, with provision made for secure cycle parking, showering and changing facilities, running and cycling equipment storage, and drying facilities.

The move also provided an opportunity to review our car parking requirements. Previously we had seven staff car parking spaces and a pool car. Our new offices have no parking spaces and our pool car has now been substituted for City Car Club membership together with car hire framework contracts providing access to their fuel-efficient, hybrid and electric vehicles.

Our new offices have LED lights, internal light sensors, and an off-site IT server, none of which existed in our previous office accommodation, helping to reduce our emissions.

Glenlivet Office

Crown Estate Scotland manages the office at the Glenlivet Estate and is responsible for all utility bills. We will report on our direct and indirect emissions associated with the building.

George Street

Crown Estate Scotland is responsible for let commercial premises on George Street in Edinburgh. While we are not responsible for utility bills and so are not statutorily required to report on these emissions, we will continue to take action to reduce emissions at the building.

Action we have already taken at George Street to reduce emissions includes:

- Installing lighting sensors to only activate the lights when people are in the building;
- Installing LED lighting to reduce the amount of electricity used to light the building; and
- The installation of 10 secure cycle racks in the basement car park, removing a car parking space and facilitating more sustainable travel.

Travel

We are required to report on emissions associated with our business travel and commuting and include action in this Plan to reduce emissions associated with this activity. Travel required for business purposes extends beyond our offices and estate work and can include travel from home and travel throughout Scotland, the UK and abroad.

The wider Scottish Crown Estate

Crown Estate Scotland manages a range of residential, recreational, forestry and agricultural property and land across the Estate. We manage some of the foreshore, including ports, harbours and moorings and we manage the seabed for offshore energy, cables and pipelines and aquaculture purposes.

Most of the Estate is let to tenants who are responsible for managing their activities and who pay directly for their energy, waste and water use.

In addition to our tenants, most work across the Estate is carried out by contractors, including our managing agents. Crown Estate Scotland carries out a small element of estate work, the majority of which is at Glenlivet. Any emissions related to work undertaken by contractors and tenants do not form part of our corporate boundary. Only those emissions related to work that is undertaken directly by Crown Estate Scotland employees across the Estate are included within our corporate boundary.

While tenant and contractor emissions will not be included in our corporate reporting we can impact on and influence emissions across the Estate and will work with our tenants and other partners to do this (see Section 8).

Working from home

Since COVID-19 restrictions came into force in March 2020, employees who are normally office-based have been working from home. While such activity and the emissions associated with working from home is related to Crown Estate Scotland corporate activity, it does not currently form part of our corporate reporting requirements. We will aim to align with any future Scottish Government guidance in relation to emissions associated with working from home.

6.2 Our corporate emissions

On the basis of our corporate boundary, the following table provides details of Crown Estate Scotland's direct and indirect emissions, divided into the relevant scopes. This is across our office accommodation in Edinburgh and at Glenlivet, our travel, and our works activity on the Estate. These are the emissions that we will report on annually to the Scottish Government.

Table 1 – Corporate emissions

| Activity | Direct – Scope 1 | Indirect – Scope 2 (energy) | Indirect – Scope 3 (other) |
|---|------------------|-----------------------------|----------------------------|
| Gas LPG heating at Glenlivet | X | | |
| Electricity | | X | |
| Water | | | X |
| Waste | | | X |
| Business travel | | | X |
| Staff commuting | | | X |
| Estate vehicles Estate van x 2 (diesel) Land rover x 1 (diesel) Mitsubishi x 1 (diesel) Estate car x 1 (diesel) JCB (diesel) Mini Digger (diesel) | X | | |
| Estate machinery Strimmer (petrol) Lawnmower (petrol) Chain Saw x 2 (petrol) Stihl Saw x 1 (petrol) Water Pumps x 3 (Petrol) Generator x 1 (petrol) Jetter x 1 (petrol) | X | | |

7. Actions

This section of the Plan sets out the key actions Crown Estate Scotland will take to address our climate change emissions. They are divided into actions we will take to address our corporate emissions and those we will take to work with our tenants and other partners to address wider, non-corporate emissions, across the Estate and nationally.

Where relevant, reference is also made to action and opportunities to address climate change adaptation. Timeframes for action delivery are outlined in brackets next to each action. Actions will sit across different teams in Crown Estate Scotland.

7.1 Actions to address direct and indirect emissions

The following actions are aimed at reducing our direct and indirect emissions. These are the emissions we will report annually to the Scottish Government on.

1. Identify our emissions baseline (November 2022)

- The first step in meeting our reporting requirements is to establish the baseline for our direct and indirect emissions.
- We will identify, calculate and record our emission levels for our first year of reporting to establish our baseline.
- The baseline will be used as a benchmark for future emission levels and our performance and progress on emissions reduction.

2. Submit our first climate change report to Scottish Government. (November 2022)

- Using the Scottish Government reporting platform, we will report on our direct and indirect emissions; work we are taking forward on adaptation; and our sustainable procurement activity.

3. Develop green office plans for Glenlivet and Edinburgh offices (December 2021)

To consider measures to:

- Reduce energy and water use;
- Use energy from sustainable sources;
- Reduce the amount of waste produced, increase recycling and reuse of materials;
- Adapt to climate change through e.g. office cooling requirements; and
- Encourage staff and Board member behaviour change through measures such as information exchange, training provision, involvement in delivery of climate change actions.

4. Develop a green travel plan/policy (December 2021)

To set out actions to reduce staff and Board members' travel and encourage travel by more sustainable means, by, for example:

- Reducing the need to travel;
- Reducing the distance and frequency of travel;
- Promoting travel by foot, bike and public transport;
- Reducing the number of journeys taken by plane (e.g. Director level approval needed for air travel); and
- Considering how we might help our partners and stakeholders to reduce their need to travel to meet or work with Crown Estate Scotland, or to use more sustainable means.

5. Incorporate home working options and the use of digital communication platforms into normal working practice (Ongoing)

- During COVID-19 restrictions all office-based Crown Estate Scotland staff have been working from home, supported by new digital platforms to enable efficient online communication between staff and with partners.
- This has demonstrated Crown Estate Scotland's capability to support home working while broadly maintaining organisational output and performance.
- Crown Estate Scotland's new Edinburgh office has desk space for approximately 70% of Edinburgh based staff with the expectation that employees blend office and home working post-COVID-19. We recognise, however, that not all staff can or may want to work from home longer-term.
- With new digital platforms now in place there is also an expectation that more meetings and events can be undertaken digitally and without the need to travel.
- Our new offices at Quatermile 2 have three meeting rooms and two booths set up with intuitive digital conference facilities, to support staff choosing to attend meetings and events remotely.
- This combination of home working and online business provides the opportunity to reduce emissions associated with travel across the business.

6. Implementation of the sustainable procurement duty (Ongoing)

- The Procurement Reform (Scotland) Act 2014 establishes a sustainable procurement duty which requires a contracting authority to consider how it can improve social, environmental and economic wellbeing as part of its procurement activity.
- The Climate Change (Scotland) Act 2009 requires public bodies to report on how procurement has contributed to compliance with the climate change duties as set out in the Act, including on reducing emissions.

- By embedding the duty into Crown Estate Scotland's approach to procurement, climate change can be considered and reported on accordingly.
- Crown Estate Scotland has developed a procurement strategy which incorporates the duty. The strategy will be reviewed to reflect the policy and actions set out in this Plan and in our climate change reporting to ensure that ongoing procurement activity is able to address opportunities to mitigate or adapt to climate change.

Investment Criteria

Crown Estate Scotland's investment strategy is set out in our 2020-23 Corporate Plan. We estimate total committed capital investment over the plan period at approximately £70m.

The strategy states that decisions on investments will include non-financial criteria, including contribution to Scotland's net zero targets. Table 10 in our Corporate

Plan (below) sets out the criteria we will use to make investment decisions.

These criteria reflect our duties to promote sustainable development and make explicit reference, under 'Value', to the need to consider climate change mitigation and adaption as part of our investment decision making.

| Strategic | Value | Commercial | Financial | Management |
|----------------------------------|--|---------------------------|-------------------------------------|-----------------------|
| Alignment with Corporate Plan | Economic contribution | Strength of Business Plan | Threshold IRR | Project complexity |
| National / regional contribution | Community / social wellbeing | Leverage (catalyst) | Discounted payback period | Operational fit |
| Stakeholder support | Regeneration | Partners' track record | Capital value growth | Right scale |
| | Environmental sustainability | Financial readiness | Set up cost and management overhead | Potential liabilities |
| | Climate change (adaptation & mitigation) | Security and ranking | Capital exit | State aids compliance |

7. Consider options for introducing more climate friendly utility vehicles and machinery at Glenlivet and Fochabers (Long term)

- As one of our main sources of direct emissions, Crown Estate Scotland will investigate options to gradually phase out carbon-based vehicles and machinery and replace them with zero emission options.
- Crown Estate Scotland welcomes the commitment set out in the Scottish Government Climate Change Plan to work with public bodies to phase out the need for any new petrol and diesel light commercial vehicles by 2025 and to create the conditions to phase out the need for all new petrol and diesel vehicles in Scotland's public sector fleet by 2030.

8. Complete a carbon audit of the Glenlivet Estate (Consultancy report March 2021)

- An audit of key sources of carbon emissions across the operational in hand managed activity (i.e. those parts not under tenancy or contracted out) on Glenlivet Estate, exploring what action could be taken to reduce emissions identified and to enable more informed decision making in the future.

9. Consider measures to reduce emissions at the premises we manage on George Street, Edinburgh (Ongoing and in alignment with future use of the building)

- We will continue to look at opportunities to reduce the carbon footprint of George Street and ensure that carbon reduction is considered as part of any ongoing investment or development decision making.

8. Actions to address wider emissions

In accordance with our 2020-23 Corporate Plan, we will progress actions to support and facilitate climate change mitigation and adaptation cross the Estate working with our tenants, partners and stakeholders. These actions are additional to and go beyond our actions to address our corporate emissions.

1. Advance opportunities for built development projects on existing rural land including submissions to Local Authority Development Plans (Ongoing)

- Consider practical opportunities, as appropriate, to promote energy efficiency, adaptation and sustainability in Crown Estate Scotland led development projects.
- Explore opportunities to address climate change as part of consultation on development proposals.

2. Implement a new approach to considering financial and wider value benefits in decision-making (March 2021)

- The Crown Estate Scotland Value Project identifies the different types of value generated by the Estate so that we and others can manage it in a way that really benefits Scotland.
- The Project has defined five value categories – Economic, Social, Environmental, Climate Change and Regeneration.
- Each category is underpinned by a set of value indicators (16 in total). For climate change these indicators include:
 - Mitigation – a low / zero greenhouse gas approach is being delivered;
 - Adaptation – actions increase resilience / reduced risk in face of a changing climate; and
 - New opportunities – new, low greenhouse gas activities / businesses / products pursued.
- Using these indicators, a value assessment can be made of an asset class (farming, forestry etc) or a specific investment decision.
- This assessment provides a value prognosis which can be used to help inform decision making across the Estate.
- As one of the five main value categories, climate change will be integral to our decision making going forward.

3. Promote sustainable and diverse agricultural businesses (March 2022)

- Support the take-up and development of Integrated Land Management Plans (ILMPs) by farm tenants through knowledge exchange events.
 - ILMPs and farm carbon audits are voluntary, but Crown Estate Scotland provides funding to support farm tenants with future business planning to help build resilience and sustainability into farming activities. Carbon management is a key feature of ILMPs and business planning provides an opportunity to consider how emissions can be reduced or climate resilience increased.
- Embedding a Natural Capital approach to farm Business Planning - Crown Estate Scotland will carry out learning and engagement events with tenant farmers to promote key messages from our Natural Capital work, including on emissions reduction and adaptation.

Natural Capital Protocol

CASE STUDY

Crown Estate Scotland recently published the findings of a study applying the Natural Capital Protocol to a dairy farm on the Applegirth Estate in Dumfries and Galloway.

The trial demonstrated how the Protocol can assess the health of the natural environment and help agriculture to build a sustainable future. The trial allowed the farmer taking part to think of the environment in terms of natural capital 'assets' and articulate how his business depends on some of these assets and how it impacts on others. A farmer using the Protocol can see how their different business decisions might affect the environment and make more sustainable choices as a result.

The Protocol highlights opportunities available to farms to address climate change issues, such as more targeted application of slurry and manure to enable the quantity of inorganic fertilisers purchased to be reduced; and planting hedges and trees to (amongst other things) deliver carbon sequestration and climate adaptation. The report demonstrates how such decision-making can also deliver business benefits to a farm.

The study report can be found at Dryfesdalegate Farm [Natural Capital Overview Report](#).

4. Review energy efficiency status in directly let residential properties to inform future investment priorities (March 2021)

- The review will look at options, including e.g. loft insulation, double glazing or boiler replacement, to increase energy efficiency, reduce emissions and meet or exceed Energy Performance Certificate requirements.

5. Identify potential woodland creation sites on the rural estates (March 2022)

- Working with tenants and other stakeholders to identify opportunities for appropriate tree planting, promoting their carbon sequestration and adaptation benefits.

Climate adaptation work across the rural estates

CASE STUDY

Recent climate adaptation work on the Estate has included working with tenant farmers on river bank stabilisation to prevent erosion and mitigate further loss of grazing land; restoration of the Faemussach peat works; and forestry restocking work, increasing species diversity and addressing species selection to make our forests more resilient to climate change.

6. Complete Feith Mussach Peatland restoration project at Glenlivet and explore other options (March 2022)

- Seek funding to implement peatland restoration work such as removal of regenerating trees and blocking drains to restrict peat drying out, maximising the health of the peatland and its sequestration qualities.

7. Identify investment opportunities for renewables across our rural estates (March 2022)

- Investigate feasibility for small scale wind and solar renewables opportunities with potential for community buy in and private wire energy provision, substituting for carbon-based energy sources.

8. Completing identified repair maintenance and improvement projects in Estate infrastructure (March 2022)

- Consider mitigation and adaptation opportunities as part of repair and maintenance programme, including for example improvements to farm waste capacity and storage, and energy efficiency of farmhouses and Estate cottages.

9. Establish Glenlivet Estate future land use master planning project (March 2021)

- Working in partnership with Cairngorms National Park, Highlands and Islands Enterprise, Moray Council and community partners to ensure climate change mitigation and adaptation is integrated into planning long term change across the Estate.
- Link to outputs of the Glenlivet Estate carbon audit.

Funding streams

CASE STUDY

Sustainable Communities Fund – Crown Estate Scotland launched the **Sustainable Communities Fund** in July 2020, designed to support local regeneration and sustainable development around Scotland's coast.

The fund is made up of two different programmes: The Community Capacity Grants Programme, to support local regeneration and sustainable development and the Environment Grants Programme.

The Environment Grants Programme is available to Crown Estate Scotland tenants and provides grants of between £5,000 and £20,000 for projects which can deliver demonstrable environmental benefits within 18 months of award.

The Programme is able to support work addressing climate change including projects that support recycling or waste reduction, enable green travel, or reduce flood risk, pollution or carbon emissions.

Total investment across the two programmes could reach £750,000 over three years.

Innovation with Natural Resources Challenge Fund

– This fund is available to Crown Estate Scotland tenants and provides investment in projects involving elements of novelty, improvement or originality that focus on long term business development and diversification in ways that improve the sustainable use of natural resources.

The types of project that could be supported include: promoting management activities which help address climate change and reduce carbon footprint; the enhancement or development of renewable energy; projects that reduce air pollution, waste and diffuse pollution of water courses; proposals which support climate resilience and adaptation.

The Innovation with Natural Resources Challenge Fund will launch in 2021 and run until 2023. Available funding will total approximately £3 million.

9. Offshore Energy

Crown Estate Scotland is involved in a range of activity to support the role of offshore renewable energy in Scotland. This work address wider emissions and is important to highlight due to its unique contribution to reducing emissions in Scotland.

The actions below outline the key measures we will take over the period of this Plan to support such activity.

1. **Implement and manage seabed agreements for cables and pipelines and offshore renewable energy projects as they move through development, construction and operation (Ongoing. There are projects currently under construction likely to be completed by March 2023, but this action will remain ongoing into the next corporate plan and Climate Change Action Plan period)**
2. **Invest in measures to remove sector-wide barriers to further offshore wind investment. (Ongoing. Key projects will be completed by March 2023 but this action will remain ongoing beyond that timeframe)**
3. **Enable access to seabed for new offshore wind development, supporting project pipeline and supply chain development. (We anticipate that the first round of ScotWind will be completed by March 2023)**
 - Provide access to seabed, in alignment with Scottish Government's Sectoral Marine Plan for Offshore Wind Energy and Offshore Wind Policy Statement, helping Scotland attract investment and realise socio-economic benefits.
4. **Work in partnership to develop existing and emerging technologies that offer significant potential value to Scotland (such as hydrogen, wave & tidal, Carbon Capture and Storage and floating offshore wind), and identify new opportunities (Ongoing)**
5. **Manage £10m investment in the MeyGen tidal energy project (Ongoing)**

ScotWind Leasing

CASE STUDY

In 2020-21, Crown Estate Scotland will launch the first round of offshore wind leasing in Scottish seas for a decade. This will form an historic opportunity to harness Scotland's incredible natural resources and take a major stride towards a net zero future.

Our new leasing process, ScotWind Leasing, will position Scotland as a world class investment destination for the projects we need to unlock more economic benefits for communities.

We've already seen a glimpse of what can be achieved, with five major offshore wind farms generating significant amounts of clean green electricity and over 3,000 jobs created. Total investment in ScotWind Leasing projects could potentially surpass £8bn, contributing significantly to Scotland's green recovery. ScotWind could deliver more than enough green electricity to power every Scottish household with the potential for over 6 million tonnes of CO2 to be saved every year.

In preparing for ScotWind, Crown Estate Scotland worked with industry and government to develop measures to help Scottish offshore wind developments benefit from a vibrant supply chain. In doing so, we believe ScotWind will support a just transition by stimulating supply chain development and placing Scottish offshore wind projects at the heart of Scotland's emerging net zero economy.

Surf 'n' Turf

CASE STUDY

Crown Estate Scotland commissioned a study – *Offshore Generation Energy Systems: a value case study* – to demonstrate the additional value that can be generated for a community when a local energy systems project is introduced.

The study focuses on the Surf 'n' Turf project in Orkney which produces hydrogen using curtailed onshore wind and tidal power from the island of Eday. The hydrogen is then transported to Kirkwall harbour where it is used to generate electricity and heat for berthed ferries and for harbour buildings.

The economic impacts of the project were assessed and demonstrate that every pound that comes into Orkney due to the Surf 'n' Turf project has an equivalent value of £2.41 to the local economy. This amounts to 141% additional value to the local economy.

6. Work with others to identify opportunities to maximise and enable offshore wind (fixed and floating) (Ongoing)

- For example, through enabling environmental studies, engagement with stakeholders on key policy issues or involvement with Scottish Offshore Wind Energy Council (SOWEC) and the UK-wide Offshore Wind Industry Council (OWIC). Support for policy development delivered across a range of technologies includes:
 - Decarbonisation of oil & gas (O&G) sector;
 - Hydrogen production from offshore wind;
 - Floating wind; and
 - Further offshore wind leasing to help achieve net zero ambitions.

10. Reporting and Monitoring

From 2022, we will report on our climate change duties to the Scottish Government towards the end of each calendar year.

This will provide detail against our greenhouse gas emissions, estimated annual carbon savings, adaptation measures, and how our procurement activity has contributed to climate mitigation and adaptation.

Crown Estate Scotland's Annual Report will:

- Report progress on the Plan actions relating to direct and indirect emissions;
- Report progress on the Plan actions to address wider emissions e.g. through our work in offshore renewable energy; and

- Summarise recent relevant monitoring data and other information submitted to Scottish Government.

Our second Climate Change Action Plan will cover 2023 to 2026, aligning to the timeframes of our next corporate plan. This will set out Crown Estate Scotland's further plans to achieve zero direct emissions by 2040 and will include our targets and further actions to reduce our indirect emissions.

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