

# Ports & Harbours Asset Profile

## 1. Context

Crown Estate Scotland manages property – including buildings, land, coastline and seabed – on behalf of the Scottish people.

### We work in a way that:

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

The Scottish Crown Estate Act 2019 requires us to manage the assets in a way that is likely to contribute to the promotion of improvement of economic development, regeneration, social wellbeing and environmental wellbeing. To do this, we need to understand the wider value delivered by the assets and our management activities.



Asset profiles have been developed for the Estate's 21 asset classes. The profiles include information on financial returns, the public benefits delivered through our management activities, and our view of the opportunities for wider value creation.

The analysis has been undertaken in-house, using qualitative assessment and expert judgment.

## 2. Asset summary

Seabed used for permanent reclamation, harbour infrastructure and dredging, form the bulk of Crown Estate Scotland's agreements with the ports and harbours sector. Ports and harbours in Scotland have a range of public and private operators, each with unique governance arrangements. Crown Estate Scotland seabed agreements are granted on a consistent basis whilst reflecting local circumstances. Master Agreements are in place with some Local Authorities, these set a framework for individual agreements and were designed for mutual benefit when dealing with multiple agreements with a single tenant.

We work proactively with operators on expansion and development plans.

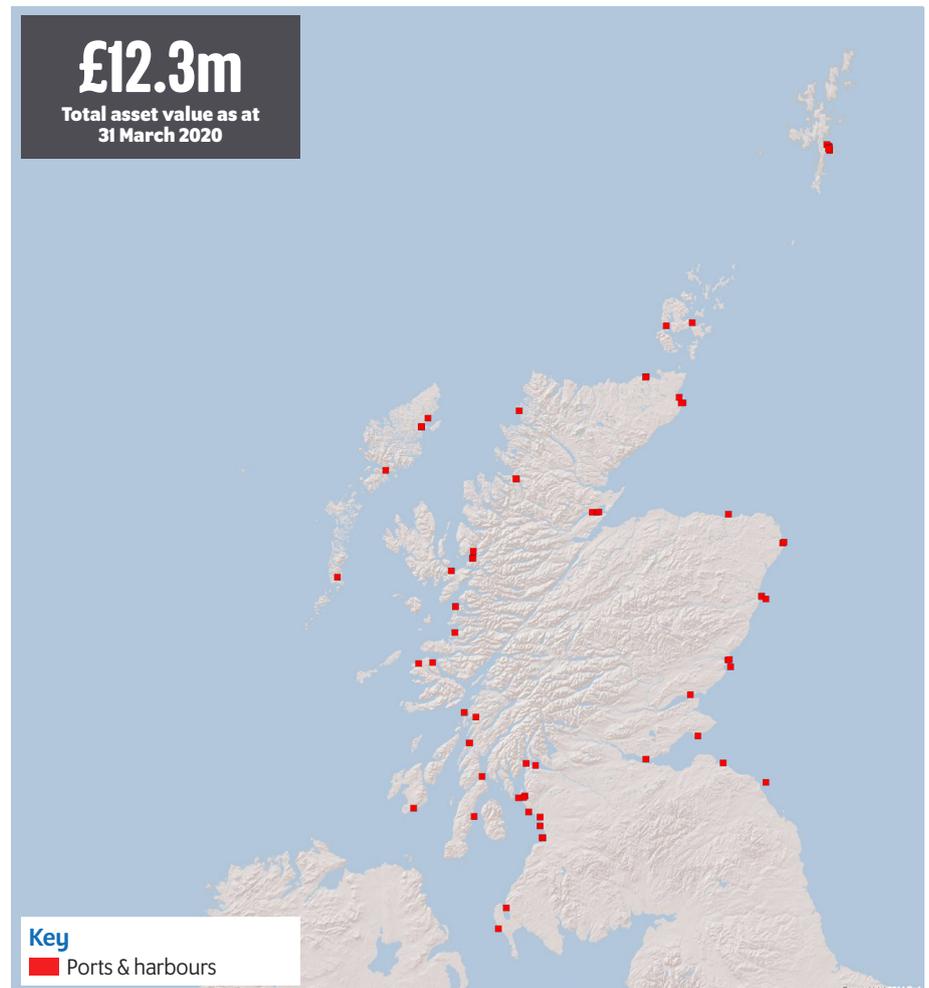
### Asset information

No of agreements	<b>78</b>
No of tenants	<b>40</b>

### Financial information

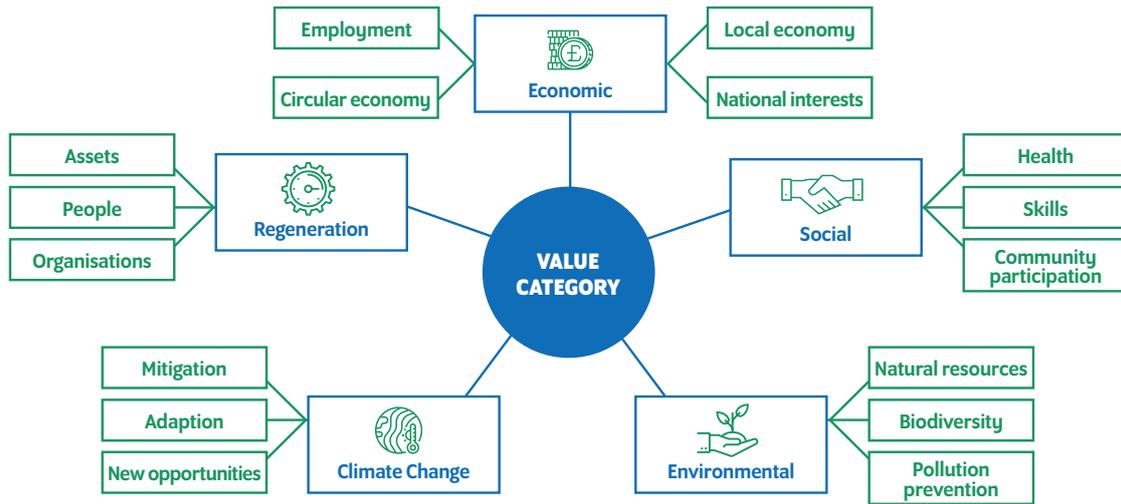
Value (March 2020)	<b>£12.3m</b>
Value share (% of total Estate value, March 2020)	<b>2.9</b>
Yield (net revenue + valuation change, 2018/19-2019/20)	<b>10.6</b>
Contribution (% of Crown Estate Scotland net revenue, 2019/20)	<b>3.7</b>

## Ports and harbours asset map



Map is correct as of November 2020. An up to date map is available on our website: <https://www.crownestatescotland.com/what-we-do/map>

### 3. Understanding Value



#### Five value categories have been identified:

- Economic;
- Social;
- Environmental;
- Climate Change; and
- Regeneration.

Each value category has a set of three or four indicators. The indicators are relevant for all Scottish Crown Estate asset classes and also align with Scotland’s National Performance Framework and the UN Sustainable Development Goals.

#### Measures of success

##### Economic

- Employment** – jobs created or safeguarded
- Local economy** – local businesses are active in the supply chain and provide local employment
- National interests** – benefiting Scotland’s national economy / showing leadership
- Circular economy** – increasing efficiency / reducing waste in processes and products

##### Social

- Health** – reflects / promotes good health at local or national level
- Skills** – stakeholders gain valuable skills
- Community participation** – community is an active stakeholder and participant

##### Environmental

- Natural resources** – resources used / maintained in a sustainable way
- Biodiversity** – biodiversity is protected/strengthened
- Pollution prevention** – pollution is decreased / not increased

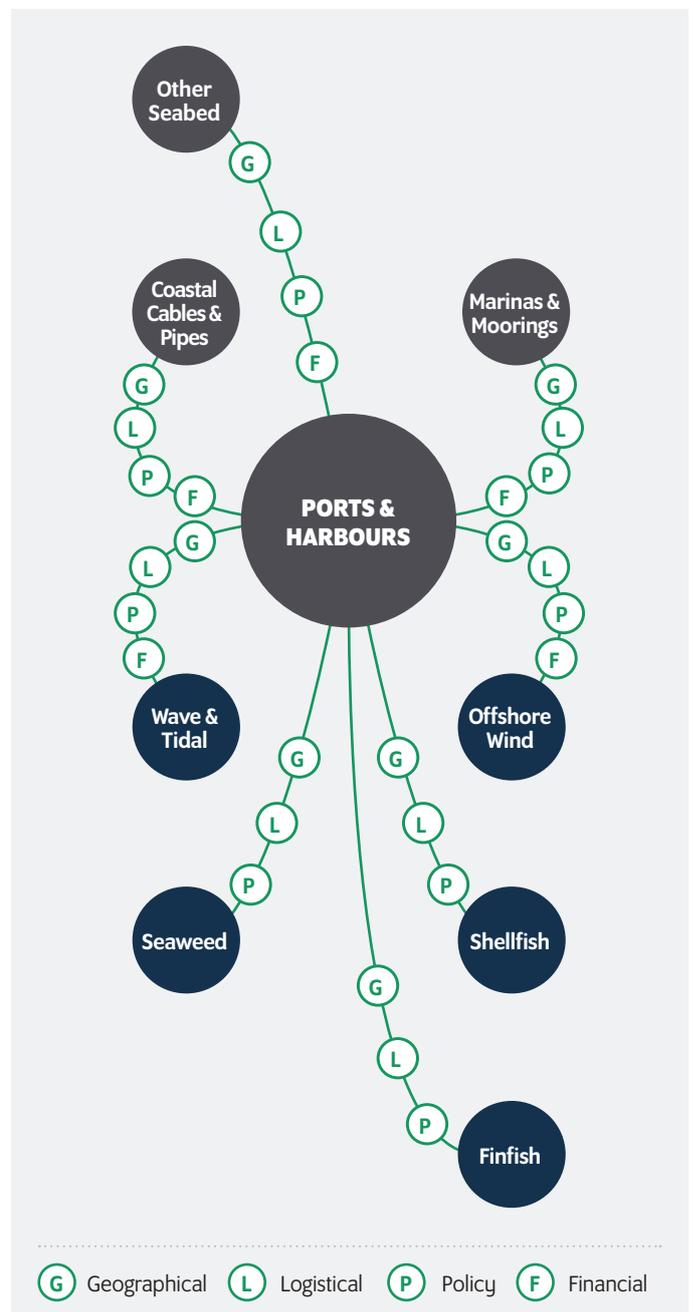
##### Climate change

- Mitigation** – low or zero emissions
- Adaptation** – actions increase resilience / reduce risk
- New opportunities** – new, low or net zero emissions activities/ businesses/products pursued

##### Regeneration

- Assets** – positive impacts on associated assets
- People** – people are enabled or empowered
- Organisations** – activities involve collaboration with other organisations

#### Connected assets



**G** Geographical **L** Logistical **P** Policy **F** Financial

## 4. Potential for Wider Value

The diagrams below demonstrate the wider value currently generated by the asset class as a whole and indicate where we consider there is potential to deliver increased wider value. This is influenced by a range of factors including the inherent value of the assets, tenant activity, regulator activity and other external factors.

For Ports & Harbours, key areas identified with potential for increased wider value include:

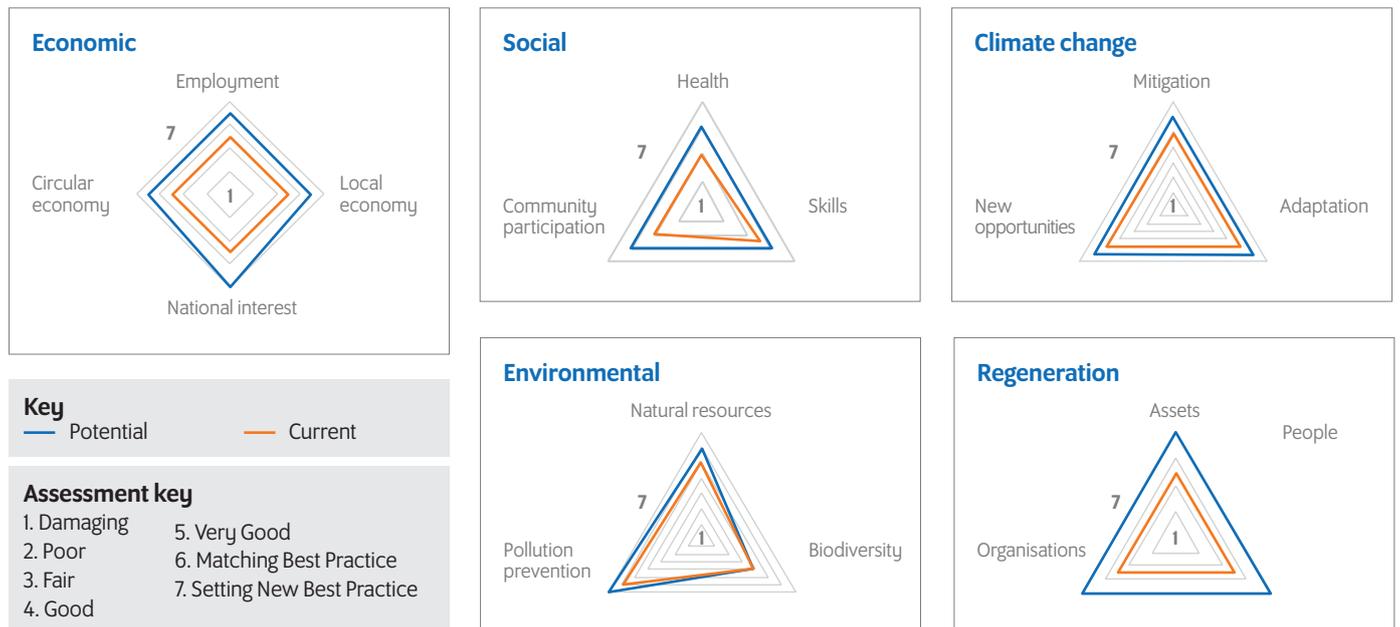
- **Economic** – expansion of offshore wind sector may lead to opportunities in relation to national interests, local economy and employment.
- **Regeneration** – expansion of offshore wind sector may lead to opportunities relating to interactions between associated assets and collaboration between different organisations.

### Opportunities

- Providing a base for trade and employment;
- Connecting communities;
- Supporting the expansion of the offshore energy sector;
- Providing landside gateways for offshore energy, fishing and cruise sectors;
- Contributing to protecting the environment within a framework of environmental designations; and
- Using marine plans to create an increasingly effective marine licensing and consents regime.

### Threats

- Changes to arrangements for the inspection of animal and plant products under environmental health rules post-Brexit; and
- Environmental and planning issues are one of the most significant challenges for the ports sector.



This full value potential is indicated by the blue line. The actual average performance of the assets as currently managed is shown by the orange line. The opportunity for delivering enhanced value is the stretch between the orange line and the blue line.

Where potential and actual performance are the same the orange line will hide the blue line beneath it. No weighting has been applied to any indicator.

## 5. Benefits delivered by Crown Estate Scotland

### Our latest Corporate Plan sets out our four roles:

#### Investor

Investing in, for example, property development, as well as building external partnerships and supporting staff.

#### Asset Manager

Careful management of leases and agreements, as well as direct management of forestry and mountain bike trails.

#### Co-ordinator

Supporting other Scottish Crown Estate managers by, for example, coordinating spatial information.

#### Enabler

Empowering others by supporting local plans and projects, providing access to property and helping address barriers to sector growth.

### For ports & harbours, some examples of our activities include:

#### Asset Manager

- Providing consistent seabed agreements which reflect local circumstances.
- Supporting expansion and development plans.

#### Enabler

- Study completed looking at “Ports for offshore wind: A review of the net-zero opportunity for ports in Scotland” to identify steps that could be taken to maximise the future potential of Scottish ports to support offshore wind construction and maintenance activities.

The table below presents our assessment of the significance of the benefits that we currently deliver through these four roles. Our Corporate Plan sets out actions against these four roles. Over time, we expect the significance of benefits to increase as considerations regarding wider value are embedded into decision making.

PORTS & HARBOURS	Investor	Asset manager	Enabler	Coordinator
<b>Economic</b>				
Employment	Inactive	High	Low	Low
Local economy	Inactive	High	Low	Low
National interests	Inactive	High	Medium	Low
Circular economy	Inactive	Inactive	Inactive	Low
<b>Social</b>				
Health	Inactive	Inactive	Inactive	Low
Skills	Inactive	Inactive	Inactive	Low
Community participation	Inactive	Low	Low	Low
<b>Environmental</b>				
Natural resources	Inactive	Medium	Low	Low
Biodiversity	Inactive	Low	Low	Low
Pollution prevention	Inactive	Low	Low	Low
<b>Climate change</b>				
Mitigation	Inactive	Low	Low	Low
Adaptation	Inactive	Low	Low	Low
New opportunities	Inactive	Low	Medium	Low
<b>Regeneration</b>				
Assets	Inactive	High	High	Low
People	Inactive	High	High	Low
Organisations	Inactive	High	High	Low

**Key**

- Inactive
- Low
- Medium
- High

### Head Office

Quartermile Two  
2nd Floor  
2 Lister Square  
Edinburgh  
EH3 9GL  
Tel. 0131 260 6070  
enquiries@crownestatescotland.com

[www.crownestatescotland.com](http://www.crownestatescotland.com)

[@CrownEstateScot](https://twitter.com/CrownEstateScot)  
[www.linkedin.com/company/crown-estate-scotland](https://www.linkedin.com/company/crown-estate-scotland)

### Glenlivet

Main Street  
Tomintoul, Banffshire  
AB37 9EX  
Tel: 01479 870 070  
info@glenlivetestate.co.uk

[www.glenlivetestate.co.uk](http://www.glenlivetestate.co.uk)