



**Crown Estate
Scotland**
Oighreachd a' Chrùin Alba

Boat-based Tourism • Capital Investment Fund

Stage 1 Application Form



Reference number for this application (for use by Crown Estate Scotland only)

Introduction

About Crown Estate Scotland

Crown Estate Scotland manages land and property owned by the Monarch in right of the Crown. Our purpose is to invest in property, natural resources and people to generate lasting value for Scotland.

We work in a way that:

- Generates prosperity and value for all of Scotland;
- Supports the growth of sustainable marine and coastal businesses;
- 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 comprises a diverse range of rural and marine assets, alongside a small commercial property portfolio. Management of the Estate involves leasing land and property to over 2,000 individuals and businesses, on commercial terms, whilst supporting aquaculture, farming, forestry, tourism and offshore renewables through research and investment.

In line with the Scottish Crown Estate Act 2019, we manage the assets in a way that supports economic development, regeneration, social wellbeing and environmental wellbeing.

You can learn more by visiting our website: <https://www.crownestatescotland.com>.

The Boat Based Tourism Investment Fund

Crown Estate Scotland's 2020-23 Corporate Plan includes the following key objective:

- **Support the sustainable expansion of Scotland's blue economy, focusing on marine and coastal development**

To meet this objective we are seeking to identify investment opportunities to grow revenue and capital value, deliver benefits to coastal communities and support the blue economy, with a focus on: Ports and harbours; Boat-based tourism; and Coastal development land.

This Boat Based Tourism (BBT) investment fund is our commitment to support and develop this nationally important sector of the Scottish economy through commercial investment of capital funds.

Applications for capital investments between £350,000 and £750,000 are invited from interested parties, ideally in partnership with other private or public funders.

Applicants should bear in mind that:

- **Crown Estate Scotland must invest in land and property which is already part of the Scottish Crown Estate or is purchased to form part of the Scottish Crown Estate.** Crown Estate Scotland is not permitted to trade and cannot take shared ownership or shared equity in land and property assets.
- **Crown Estate Scotland investment funds are not grant funds, they are capital investment** and in line with statutory requirements we need to be mindful of the financial value of the assets which are the subject of investment over time, as well as the financial return and wider value the investment generates.
- **Crown Estate Scotland leases its assets to generate revenue from rent** (our profit is surrendered to Scottish Government) and **projects which are the subject of this investment will ultimately require a commercial lease arrangement with the applicant or another relevant body.** The exact terms of this lease will be determined at the final stage of the process set out below.

The Application Process

To enable us to assess applications for investment within these funds, we have a three-stage process which is set out below:

- **Stage 1 Application Form** (this form)
- **Stage 2 Consideration of a Strategic Outline Business Case** (SOBC).
- **Stage 3 Consideration of a Full Business Case** (FBC).

We are keen to work with applicants (and potentially other partners) during the three-stage process to ensure projects meet our criteria or can be adapted to do so.

We therefore welcome applications from projects that may be at an early stage but require further development work (such as purchase and development of an asset or a building or land to support economic activity or community regeneration) alongside projects that have well-developed business plans based on existing parts of the Scottish Crown Estate, but which require capital investment to enable them to proceed.

This Stage 1 Application Form

The purpose of this form is to allow us to identify those projects which fit the fund criteria or can be adapted to do so, without the need for the submission of detailed business plans. Projects that do not fit or are unlikely to fit the criteria or are considered unsuitable for Crown Estate Scotland investment will not be taken forward to the next stage.

Following the closing date, all applications will be reviewed by Crown Estate Scotland. If more applications are received than the fund can support, these will be ranked according to an assessment of their relative suitability, deliverability, affordability and fit with the investment criteria. We may seek further clarification from applicants at this stage if there are elements of the application that are unclear.

Eligibility

To be eligible to apply for BBT funds, you must be:

- A UK registered business, statutory body, or other legally constituted organisation; **and**
- Providing (or proposing to provide) services or facilities for the boat-based tourism leisure sector, either directly or as an ancillary service provider.

Criteria for the BBT Fund

Our objective is to identify investment opportunities in new or existing assets that provide services or facilities aligning with the Strategic Themes and Aims in Scotland's National Strategy for Marine Tourism 'Giant Strides' and supports the development and operation of marine boat-based tourism.

To qualify, you must present an investment opportunity which meets some key criteria:

- **It must form part of the Scottish Crown Estate.** This means it must involve [Scottish Crown Estate land, property or other assets](#); or the purchase of new assets to become part of the Estate.
- **It must deliver benefits to Scotland** which can be defined, are sustainable, and will contribute to achieving [our corporate objectives](#).
- **It must deliver Financial value**, and should have a credible business plan for maintaining the value of the investment and delivering a positive return for us.
- **It must not result in unfair competition**, or breach regulations on competition or state aid.
- **It must demonstrate stakeholder support**, through community consultation, engagement with a planning authority, financial commitments from other funding bodies, etc.

For this Boat Based Tourism challenge fund project aims should relate to boat-based tourism in ways that include, but are not restricted to:

- Projects that are part of a **strategic regional approach** to boat-based tourism.
- Projects that support and enhance marine tourism business **sustainability and resilience**.
- Projects that support the development of **sailing training opportunities involving investment in infrastructure** that grow sailing reach and enhance sailing options.
- Projects that help **diversification** of the economic base of marine tourism business and /or introduce **new business activities** that **support the creation of new jobs or protect existing jobs**.
- **Strategic land purchases and redevelopment opportunities** for support services or amenities that **enhance marine tourism facilities** or reduce pressure on local services.
- **Purchase of existing land or property on an equity-release basis to fund water-based facilities**, e.g. collaboration with a harbour authority.
- **Purchase of land and investment in new or refurbished property on a lease-back arrangement** e.g. facilities building with flexible office accommodation and cruise passenger-handling facilities.

Accepting and Progressing Applications

We will accept first stage applications to the fund from **21 June 2021 until 1700 hrs Friday 1 October 2021**.

Applicants will be informed no later than **10 December 2021** if their application will progress to the next stage. Where project timescales require a quicker response we will seek to accelerate a decision on Stage 1 applications if at all possible.

Selected applicants will then be invited, **at Stage 2**, to produce a **SOBC** in line with the [Treasury Green Book '5- Case Model'](#). This sets out all the relevant details we require to make an informed decision on whether the project fully meets our investment criteria and corporate plan objectives. Our team will work with applicants to develop their SOBC. Once SOBCs are completed our Investment Committee will review them and decide which projects progress to the final stage.

Stage 3 will involve the creation of a **FBC** for each application which will build on the SOBC and identify and set out the full details of the proposal, any legal or other contractual terms, the financial considerations and the heads of terms of any relevant agreements that need to be put in place. The preparation of the FBC may require expenditure to undertake activities such as valuations, explore project feasibility, undertake surveys or other consultancy work. We will work with applicants to undertake this work as required, including potential contribution towards the cost to develop and appraise the FBC on a case by case basis.

Once a FBC is complete it will be re- submitted to our Investment Committee, and a final decision made on whether the investment will be pursued. Any decision to proceed will still be subject to the finalisation of contractual terms or clarification of any additional matters raised by the Investment Committee at this stage.

Since they may require additional preparatory work and research, neither the SOBC nor the FBC preparation are subject to time limits. For projects at an advanced stage of development or where there may be a time limit, (such as acquisition of property on the market) we will work with applicants to accelerate both the SOBC and FBC stages as quickly as possible.

We will not make any commitment to invest or provide any guarantees of support until a decision has been made following the consideration of (and any subsequent amendment of) the FBC.

Please turn to the next page to begin your first stage application.

Please give us your contact details

Business or Organisation name

Registered Office address

Correspondence address (if different to the above)

Primary Contact name

Position

Telephone number

Email address

Website

Please tell us about your business or organisation

In order to be eligible for Crown Estate Scotland investment capital you must be a UK registered business, statutory body, or other legally constituted organisation.

Please describe the nature of the services provided by your business or organisation:

Please provide your company registration number, or if your organisation is not a registered company please explain why and provide any other relevant registration numbers:

Please tell us about your project proposal

Project name

Location of project (please provide address or OS grid reference)

Describe the project that the investment funds will be used for (in 300 words or less)

Crown Estate Scotland can only invest in land which is already part of the Estate, or by purchasing land which will be added to the Estate. Please tell us which of these investment types your project proposal represents (in 100 words or less)

Please explain how your project delivers defined, sustainable benefits

Your answer should describe what you see as the main benefits of your project, bearing in mind the overall aims of the investment funds set out above. Please also include details of the anticipated timescales for development of the project.

(in 400 words or less)

Please explain how your project fits with plans and strategies

In order to be eligible for Crown Estate Scotland investment capital your proposal must align with Crown Estate Scotland's corporate objectives and fit with relevant plans and policies.

Please provide a brief description of how your proposal fits with local and regional development priorities and other relevant plans such as [Scotland's Marine Tourism Strategy 'Giant Strides 2020-2025'](#).

(in 400 words or less)

Please set out the business case for your project proposal

This section will help us understand the business viability of your project and how this will generate a return to Crown Estate Scotland.

Your answer should set out as much information as is available to describe both the quantifiable and non-quantifiable characteristics of the project. This should include any background information relating to:

- The specific business need
- The expected costs of the project
- The scope
- Any assumptions and anticipated risks

Any financial information you can provide will also be helpful and can be provided as an annexe to the application.

For projects at an early stage of development where this is not available please provide an indication of where anticipated income will come from and any expected operating costs. (At this stage we are not seeking a full financial appraisal – this will be developed with applicants during stages 2 and 3 – see above).

(in 500 words or less)

Total project budget (£)

Total investment sought from Crown Estate Scotland (£)

Amount, source, and status of other funds for the project

Please describe what statutory consents or other permissions are required for your project and what stage you have reached in obtaining those consents or permissions

Other Relevant Information

Please add any other information you feel relevant that will help Crown Estate Scotland to understand and assess your proposal against the criteria listed above (in 300 words or less)

Data Protection and Privacy

Crown Estate Scotland's Data Protection Policy and Privacy Notice can be viewed at:

- <https://www.crownestatescotland.com/maps-and-publications>

Submissions

Please submit your completed application form and any supporting information **no later 1700 hrs Friday 1st October 2021** to: BBTFund@crownestatescotland.com

Please submit any questions to the same address. We will publish FAQs and our responses (where relevant) on our website up to a week prior to the closing date to maintain transparency for other applicants.

Declaration

I confirm that the information provided in this application is correct and that I am authorised to make the application.

I understand that decisions made by Crown Estate Scotland are final.

Name

Signature

Date