

Crown Estate Scotland

BULLETIN

SUMMER/AUTUMN 2017

Meet our Board

Scotland's
sailing success

Shellfish
opportunities



**Crown Estate
Scotland**

Oighreachd a' Chrùin Alba

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Cover image: Tilly Smith at Glenlivet manages the UK's only free-ranging herd of reindeer



Introduction

RONNIE QUINN
Chief Executive, Crown Estate Scotland

Welcome to the first edition of Crown Estate Scotland's Bulletin, bringing you news and updates from across the business.

After months of preparation, Crown Estate Scotland began operating as a stand alone business on 1 April 2017. The organisation is tasked with managing assets on behalf of Scottish Ministers, including agricultural and forestry land, most of the seabed, around half of the foreshore and some commercial property. Our profits will now go to the Scottish Government.

In relation to the rest of the UK, the remit of The Crown Estate remains unchanged, with its profits continuing to go to the UK Government.

In due course, new legislation setting out long-term arrangements for management of the Scottish assets is expected to be passed by the Scottish Parliament.

For now, we continue to focus on supporting thousands of tenants and customers across Scotland to deliver benefits to communities and to the nation.

I hope you enjoy this Bulletin. You can find out more about our work, including contact details for the team, at www.crownestatescotland.com



**Change brings opportunity.
We can review how we
work with our partners
and ensure we are really
supporting them.**

Amanda with Glenlivet tenant Andy Duffus and his dog Brodie

Crown Estate Scotland is here!

AMANDA BRYAN

Chair, Crown Estate Scotland

In the short time that I have been Chair I have had the opportunity to meet staff, agents and tenants, customers and partners.

This has given me an appreciation of the breadth of our work and its importance for many of Scotland's key industries – and for the wellbeing of communities up and down the country.

My goal is to help ensure that we use the assets and our expertise for the benefit of Scotland and its communities. With this in mind, I want to ensure that the new Board (see pp2–3 for more detail) has the opportunity to meet tenants and local stakeholders and listen to their views on how we can best work together. As part of this, I will be ensuring that Board meetings are held around the country.

I appreciate that some people may be uncertain about the implications of the transition to the new body. This is understandable. However, I can assure you that both the Scottish Government and our staff team have worked hard to minimise any disruption.

Change brings opportunity. With the creation of Crown Estate Scotland, we can review how we work with partners, tenants and customers to ensure we are really supporting them. Their success is ultimately our success and, in turn, this brings wider benefits for Scotland, locally and nationally.

I am aware that we have been entrusted with many of the nation's most precious natural assets. These offer significant commercial opportunities yet they are often environmentally sensitive.

For me, one of our key challenges is the sustainable management of these assets. For example, we must ensure that offshore renewable energy is developed in a way that protects the interests of traditional occupations such as fishing. Our work with Orkney fisheries, which features in this Bulletin, is an example of this.

I hope you'll see that there has been no let-up in our work. We've started developing our long-term plan for the business and I look forward to meeting many more of you and hearing your views and ideas.

Our Board

Scottish Ministers appointed our Board in May and the members met formally for the first time in June. They bring a wealth of knowledge and experience with them and will provide leadership and strategic guidance. Members are:



Amanda Bryan, Chair

Amanda Bryan is based in Beaulieu near Inverness and has extensive experience in rural and community development and stakeholder engagement. She currently holds two other public appointments as Forestry Commissioner for Scotland and as a Board Member for Highlands and Islands Enterprise.

Amanda is also Chair of the Isle of Eigg Heritage Trust and a lecturer at the Scottish School of Forestry, Inverness College UHI.

Dr Michael Foxley

Michael lives on and works a family croft in Lochaber and is a former leader of Highland Council. Michael has had wide experience of and direct involvement in agriculture, forestry, aquaculture, renewables, community ownership and empowerment in the Highlands & Islands.



Andrew Macdonald

Andrew has extensive experience working in businesses of all sizes in both private and public sectors, internationally and in Scotland. He has a very strong commercial record underpinned by a commitment to safety excellence, robust governance and oversight.

Andrew's most recent executive role was with Scottish Water where he was responsible for the non-regulated business, commercial land and property portfolio.

Robert Mackenzie

Robert recently retired after 25 years as a partner at Scott-Moncrieff, leading their Corporate and Consulting Services arm and serving as Chair over the last four years.

Robert has an in depth understanding of finance, business and audit. He was Head of Audit for multiple organisations and provided training and guidance to Audit Committee and Board members of his clients.



Richard Morris

Richard lives and works in the Loch Lomond and Trossachs National Park. He worked for the European Marine Energy Centre and the National Renewable Energy Centre and is now a strategy and commercialisation consultant working with new technology developers.

He is a non-executive director / trustee for Sustrans and Greenspace Scotland.

Hugh Raven

Hugh has worked in land and water management for much of his career. He is a non-executive director of two privately-owned Scottish estates, including his family's business at Ardtonish. Hugh Chairs the Marine Conservation Society and the Open Seas Trust.

He was formerly a Board member of SNH and a member of the Sustainable Development Commission.



Alister Steele MBE

Alister is experienced in delivering affordable housing and community regeneration and has a considerable track record of strategic planning and business leadership.

Alister recently retired after 15 years as Managing Director of Castle Rock Edinvar Housing Association. He is currently Chair of Our Power, a community benefit society which aims to tackle fuel poverty, a Trustee of the Queens Hall and of LAR Housing Trust, and a Director of Social Bite Communities Ltd.

Beatrice project powers on

Construction of the £2.6bn Beatrice Offshore Windfarm Ltd (BOWL) project is progressing well. The new £10m operations and maintenance facility in Wick and the transmission works in Moray will be followed by offshore construction later in the year.

The 588MW, 84-turbine wind farm situated in the Outer Moray Firth is expected to become fully operational in 2019. At that point it will power about 450,000 homes (around three times the number of homes in the Moray and Highland), according to SSE.

The project is one of the largest private investments ever made in Scottish infrastructure, and is jointly owned by SSE, Copenhagen Infrastructure Partners (CIP) and SDIC Power.



1

BiFab in Arnish, Lewis
Steel jacket fabrication

2

Wick Harbour
Lease from Crown Estate Scotland
Slip removal

3

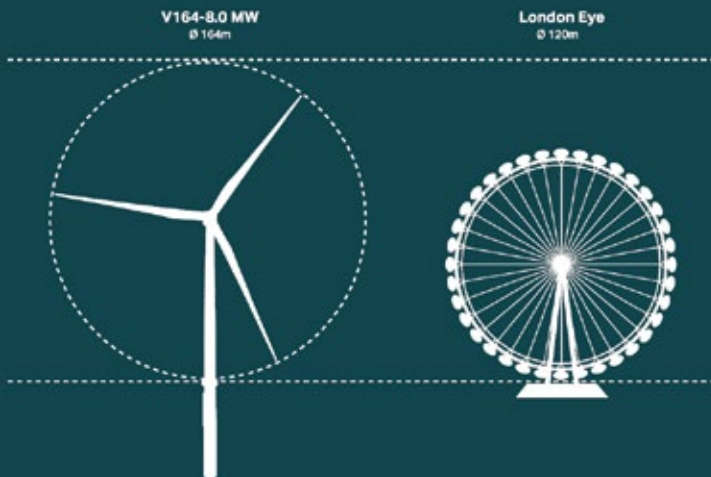
Global Energy, Nigg
Siemens Wind Power team

4

Blackhillock Substation, Moray
Onshore works

5

SSE Renewables, Glasgow
Project construction management



Deeper waters are suitable for larger turbines

Credit: MHI Vestas Offshore Wind A/S

Attention turns to wind

More floating offshore wind demonstration projects have been given the go-ahead by Scottish Government and we're delighted to be working with the developer teams as their plans progress.

In addition to the Hywind (30MW) floating wind project we now have two additional projects. The Dounreay Tri Ltd Project is about 9km offshore from Dounreay, Caithness. This demonstration project consists of two 5MW turbines which will be mounted on a single semi-submersible platform formed of a truss structure.

The Kincardine Offshore Windfarm Ltd project will sit around 15km off the coast of Aberdeenshire. It will have a capacity of 50MW with eight 6.2MW turbines mounted on individual floating triangular semi-spar foundations.

Dounreay Tri turbines will be installed in 2018, with Kincardine installation also starting next year, completing in 2019.

Deep waters are typical of global conditions. The waters around Scotland, which are close to shore and deep, combined with our persistent

windy conditions, are perfect for testing and commercial deployment of these new deep water, floating, offshore wind technologies.

The team at Crown Estate Scotland is excited about the opportunity for Scotland. There is great potential for local regeneration, transfer of skills from oil & gas, increase in renewable energy jobs, and supply chain exports.

Deep water close to our shore, combined with windy weather conditions make Scotland perfect for testing new technologies.

We are currently working with various partners to understand what is needed to help grow the industry. We want to make sure that we can provide access to seabed at the right time, and that the momentum from these early demonstration projects is continued.



Rhu Marina

Research shows Scotland's sailing sector success

Scotland's £130m sailing tourism economy is set to grow by as much as 28% in the next seven years, according to the Sailing Tourism in Scotland report launched earlier this year.

We said we would make Scotland the marine destination of first choice by 2020

The report was compiled by EKOS Ltd and was funded by Highlands and Islands Enterprise, The Crown Estate and Scottish Canals to identify opportunities and growth potential in recreational sailing – marine tourism's largest sector.

Stuart McMillan MSP, convener of the Cross Party Group on Recreational Boating and Marine

Tourism said: "This research confirms the economic potential in a sector that is a key part of Scotland's marine tourism offering."

Crown Estate Scotland's asset manager Paul Bancks said: "We're keen to play a part in ensuring that sailing tourism reaches its full potential."



"A joined-up approach will help grow the sailing tourism market in Scotland with all the benefits it brings – not only in terms of economic benefits but reinforcing Scotland's reputation as a world class visitor destination."

This latest research is a key action in the strategic framework for Scotland marine tourism sector 'Awakening the Giant', which is led by a Marine Tourism Development Group (MTDG). The five-year plan aims to grow the total value of the sector from £360m to £450m by 2020.

The full report can be found at www.scottishtourismalliance.co.uk/page/marine

Key findings



£130m

Value of the sailing tourism market



2,700

FTE jobs supported



176,000

Visitor boat nights (overnight stays)



15,700

Total current berths



24%

Increase in no of berths in last 6 years



95%

Occupancy of resident berths

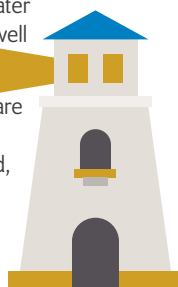
Castlebay plans ahoy!

Castlebay marine facilities are set to expand following an agreement between Crown Estate Scotland and community-owned company Barra & Vatsarsay Community Ltd – and a record award from the Coastal Communities Fund of £900,000.

The lease allows the community group to expand facilities on Barra to capitalise on the increasing popularity both of sailing as a recreational sport and of western Scotland as a touring destination for sailors.

The group will improve access to water sports and increase safety by installing a set of pontoons in Castlebay Harbour for local water sports clubs and residents as well as visiting yachtsmen.

Local shops, hotels and cafes are expected to benefit from the increase in visitors to the island, attracted by the expanded facilities.





Skipper Jimmy Buchan and Banffshire & Buchan MSP, Stewart Stevenson, support the Fishing for Litter initiative.

1,000th tonne of marine litter

Fishermen from around Scotland's coast recently landed their 1000th tonne of marine litter caught in their nets during normal fishing trips. The bumper haul – enough to fill almost three Olympic-sized swimming pools – was collected as part of the Fishing for Litter campaign.

Fishing for Litter was introduced into Scottish waters by KIMO UK in 2005. The campaign encourages skippers of fishing vessels to land litter they catch in their nets during their normal fishing activities. The campaign is supported by a number of partners, including our predecessor organisation The Crown Estate, which invested £170,000 over the lifetime of the project, and the Scottish Fisherman's Trust.

Marine litter, much of which is plastic, comes from many sources including a significant amount from the general public. If left in the sea, it gradually breaks down into smaller pieces and then impacts the marine food chain.

Stewart Stevenson, MSP for Banffshire & Buchan Coast, added: "Our north-east coastline provides

a livelihood for thousands of people, as well as providing a habitat for countless species of marine lifestyle. Therefore, it's our duty to protect it and I applaud our local fisherman for going above and beyond to remove as much litter from our waters."

Our north-east coastline provides a livelihood for thousands of people

Cabinet Secretary for Environment, Climate Change and Land Reform, Roseanna Cunningham, said: "The Fishing for Litter project supports the Scottish Government's commitment to tackling the issue of marine litter through our Marine Litter Strategy and I would like to congratulate KIMO on their success in reaching this significant milestone."

For more information visit www.fishingforlitter.org.uk

Top 8 items

collected from 2016's
international coastal clean up



2,127,565

Cigarette butts



1,024,470

Plastic beverage bottles



888,589

Food wrappers



861,340

Plastic bottle caps



439,571

Straws, stirrers



424,934

Other plastic bags



402,375

Glass beverage bottles



402,122

Plastic grocery bags

Source: Ocean Conservancy

By George! Ready to rent

Crown Estate Scotland's recently-refurbished second floor suite of office accommodation in George St, Edinburgh, is now available to lease. The suite is over 5000 sq ft and benefits from an attractive entrance and stairwell, lift access to all floors and a reception concierge. Anyone interested in the property should contact agents Cushman & Wakefield on 0131 222 4526 or email emma.watson@cushwake.com



Credit: Alan McAteer



Credit: Alan McAteer



New hide banks for sand martins

The site of one of Britain's most successful artificial nesting banks has recently undergone a refurbishment including a new viewing hide.

The nesting banks, created especially for sand martins, are part of a bird habitat originally developed by tenant Bobby Smith at Applegarthtown in Dumfriesshire, part of Crown Estate Scotland's Applegirth Estate.

The habitat was established on derelict land which tended to flood in winter but dry up in the summer months. In 1986, a dam was built to create habitat for aquatic and wading birds and two artificial sand martin nesting banks were created in the 1990s, the second with an inspection chamber behind the nesting wall to allow monitoring of nesting birds.

Records show that birds bred at Applegarthtown fly as far south as Senegal, only to return to the sanctuary the following season to breed again. More than 10,000 chicks have been ringed at Applegarthtown since 1994.

The Crown Estate supported the project since its inception, with grant aid for specific projects from Scottish Natural Heritage.

In 2016/17, The Crown Estate constructed a second viewing hide, with disabled access, and refurbished protective fencing to repel predators such as mink and rats which otherwise prey on the nesting birds.





Volunteers give their time to maintain bike trails

BikeGlenlivet's trails welcomed a dozen volunteers recently to rake, saw and dig to get the popular red and blue bike trails into shape for the peak mountain biking season.

Organised as part of the Take Care of Your Trails Weekend, the event saw the volunteers work with the Estate's ranger service to repair surfaces and drained large puddles on both the 9k blue grade route and 22k red grade route.

Vicky Hilton, Crown Estate Scotland's countryside manager for the Glenlivet Estate, said: "Our volunteers did a great job. The trails at Glenlivet are a fantastic local resource, but the nature of mountain biking means they need regular maintenance to keep them in good shape. The work was tough but the trails are now in a fantastic condition."

Many tens of thousands of visitors have now cycled the red and blue trails, as well as enjoying the comfort and home cooked food in the Coffee Still café onsite. An online survey

carried out last season returned a 99% overall satisfaction rate for the trails and facilities from 70 respondents. It also revealed that the trails drew many of its riders from the wider Highlands region visiting for a day trip.





Cairngorms Festival celebrates nature

The Cairngorms Big Nature Weekend recently celebrated the landscape and wildlife of Glenlivet.

The event, now in its fifth year, covers the Cairngorms National Park, which includes much of Crown Estate Scotland's Glenlivet Estate. At Glenlivet, the focus was on fun events for families and events that demonstrated how the Estate places sustainable management at the heart of its activities.

Activities included:

- Discovering Nature, which showed visitors how to track all sorts of wildlife, and how to use equipment such as wildlife cameras, to help find wildlife.
- Hands on our Nature, which included hands activities, with tips on practical conservation work and how to build a bird box.
- The Nature of Farming, where farmer Jim Simmons led a tour of his property to show the improvements he has made for wildlife and the environment, while managing a successful agricultural business.
- More than a Moor, which was a tour of an area of moor which has recently undergone a Peatland Restoration project. An estate gamekeeper also spoke about moorland management.

Vicky Hilton, Crown Estate Scotland's Countryside Manager for the Glenlivet Estate, said: "The Cairngorms Nature Big Weekend is a great time to celebrate our fantastic surroundings, as well as getting hands on with the nature which makes up the Glenlivet Estate."



Research project records Orkney fishing patterns

A four-year research project has recorded the interplay between Orkney's fishing industry and the anticipated needs of the growing offshore renewables sector.

The Pentland Firth and Orkney Waters Fisheries Data Collection project ran from 2013 until the end of 2016. The final results have since been collated and information will be made available in due course.

It is expected that the data will be used to help inform marine planning in the area as well as consent applications for offshore renewable energy projects. Another part of the project will also be used to support certification of Orkney shellfish as a sustainable source.

The research aimed to identify the key areas for the Orkney creel fishery, the spatial patterns of the fishery and to record this information in a way that would make it accessible to marine stakeholders.

Results show a highly seasonal pattern of fishing activity around Orkney, dependent on both weather and species targeted

In 2016, 13 fishing vessels were supplied with electronic navigation systems to plot details of fishing grounds, routes to the grounds, species caught and other details. This data was supplemented with more general landing data gathered from the wider fishing fleet in and around Orkney through observer trips and voluntarily supplied log books.

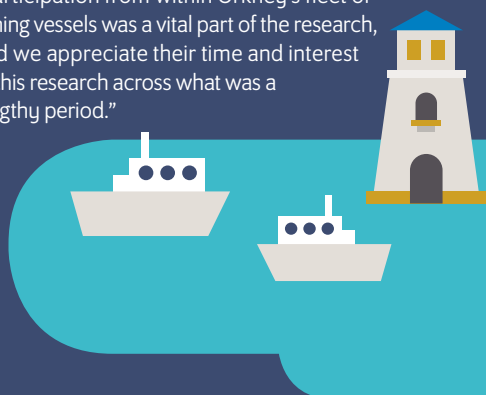


Credit: Clarus Chu

The research was funded by The Crown Estate along with additional funding from Orkney Islands Council, Marks & Spencer, Orkney Sustainable Fisheries and Marine Scotland. Members of the Orkney Fisheries Association took part in the research.

John Robertson, Crown Estate Scotland's senior manager for energy & infrastructure said: "We felt it was important to undertake this research to gather information that will help Orkney's traditional marine industries coexist alongside emerging renewables opportunities. Having now built up a significant database, this information can underpin marine policy and strategy for these important waters.

"Participation from within Orkney's fleet of fishing vessels was a vital part of the research, and we appreciate their time and interest in this research across what was a lengthy period."



Seaweed potential

Sustainably harvesting seaweeds from the wild is a new opportunity for Scottish business, Crown Estate Scotland has said in response to a government consultation. We also welcomed the recognition of the ecological considerations that need to be in place before allowing commercial harvesting to expand.

Marine Scotland has carried out a Strategic Environmental Assessment (SEA) of wild seaweed harvesting to investigate the sustainability and potential environmental and cumulative impacts of large scale mechanical extraction of wild seaweed, in particular kelp forests. The key to the success of seaweed harvesting at this scale is sustainability of the resource.

In Scotland, seaweed is very important both environmentally and historically. It is currently harvested at a small scale and there

Seaweeds are amongst the fastest growing organisms on the planet, and can grow up to a metre a day

is potential for growth and development of its exploitation and use. The seaweed harvesting sector has recently indicated interest in developing large-scale wild seaweed harvesting.

Crown Estate Scotland has welcomed the environmental assessment and suggested that even more detail and comparison of the scientific evidence will help protect the natural resource while recognising the economic potential of seaweed.

Seaweed has many uses...



Food or condiments
(Sushi, soups and salads, and in making dairy products)



Cosmetics
Soaps, moisturisers and anti-ageing products



Health industry
Pharmaceuticals, medical science (used in bone implants)



**Fertilisers
& animal feed**



Biofuel
Research & development is ongoing



Vitamins
Kelp contains a huge number of vitamins and minerals



The project inspires children to engage with nature and protect their local environment

Pupils from Braidbar Primary in Giffnock release their hatchlings into the White Cart Water.

Hatching ideas

More than 40 primary schools and 1200 pupils from across the River Clyde catchment took part in Clyde in the Classroom earlier this year.

The project, now in its 17th year, saw hundreds of pupils take on the job of hatching native Scottish brown trout and rearing them in their classrooms before releasing them back to the Clyde.

Clyde River Foundation catchment manager Willie Yeomans said, “Throughout the project children are introduced to the River Clyde and learn about its history, geography and biodiversity.

“Each class is assigned a Clyde River Foundation scientist as a trout mentor who visits weekly to help monitor the development of the trout and answer any questions.

“The pupils themselves are responsible for the day-to-day running of the hatchery and must ensure that the conditions mimic that of a real Scottish river so that they can release their fry into their local river at the end of the three-month project.”

Clyde in the Classroom started in 2000 with five schools in Glasgow. It is now the Clyde River Foundation’s longest running and largest education project. Clyde in the Classroom 2017 is crowd-funded by the participating schools plus a range of supporters including The Crown Estate / Crown Estate Scotland. For more see www.clydeintheclassroom.com



Bridge of Weir primary pupils took their charges to the River Gryfe

Shellfish opportunities

Scotland's shellfish industry body, with support from Crown Estate Scotland, is investigating to see if taking a 'loch-wide' approach will improve returns for small growers.



The Association of Scottish Shellfish Growers and Crown Estate Scotland have funded economic research to identify if collaborative investment, for example in vessels, harvesting equipment and infrastructure, might contribute to the growth of shellfish operations in Scotland.

The industry has ambitious growth targets and needs infrastructure investment if they are to be met

Aquaculture operations manager, Alex Adrian said: "We have commissioned this research as part of our overall drive to support growth

of the Scottish shellfish sector, particularly in underdeveloped regions.

"The industry has ambitious growth targets and needs local supply chain facilities and infrastructure investment if they are to be met. We want to investigate if collaborative investment, including collectively buying and sharing equipment or other resources, might prove successful in meeting these targets."

Poseidon Aquatic Resource Management Ltd is carrying out the work on behalf of Crown Estate Scotland and the ASSG. Economic modelling will help to identify loch-centred geographic regions, which might benefit from collaborative investment to create a more robust business overall.

The study has partly resulted from observing the growth over the past 15 years in Shetland's mussel production, while Scottish mainland and the other isles production

has stagnated, fluctuating between 1,500 and 2,500 tonnes. Shetland now accounts for 77% of Scottish farmed mussel production.

Shetland's relatively rapid expansion through uptake of underused pre-existing aquaculture sites and appropriate co-operation on key capital investments is thought to be one factor in the region's growth.

Alex Adrian said: "A second element of the work is to explore intervention approaches and how local communities might be involved in such developments, so that they have a stake in the developments and are involved in their delivery such as through employment or service supply."

The findings from the study are expected in summer 2017.



GIS ready for business

MARC GELLATLY
Senior GIS Analyst

As Crown Estate Scotland's senior GIS analyst, Marc is responsible for maintaining and analysing our spatial data in a Geographic Information System (GIS). It contains more than 4,000 rental records on land, foreshore and seabed including ports, harbours, moorings, offshore renewables and aquaculture, and thousands of title records and title rights such as river salmon fishing and Mines Royal.

Given the unique variety and complexity of assets Marc encounters on a daily basis, it's good that Marc is 'geeky about land rights' as he describes himself. Marc's background is in land surveying and land registration and this all stems from his "lifelong love of nature and exploring the great outdoors".

There has been an increasing trend to supply or share data

The work of the wider GIS team is critical to the business operating smoothly. From the creation of legal plans to capturing or updating records to providing spatial analysis, our GIS system is directly linked to our rental accounting system, giving the organisation a very powerful 'live' view of what's going on in the estate.

As a land manager, Crown Estate Scotland has a responsibility to maintain authoritative records about the status and change of its geography. GIS performs analysis that helps individual projects and informs planning decisions, such as those for offshore renewables sites.

Marc joined the team in 2006, and his role has changed as technology has developed. Digitisation of spatial records means no more paper maps and these days, says Marc, business users expect instant access to data and they are increasingly GIS-savvy.

In 2016/17, he created a new GIS system for the business (CRe GIS), modelling data from existing systems into the new one, then investigating and rolling out a means of getting spatial data onto non-GIS users' desktops.

Marc said, "There has been an increasing trend to supply or share data. We've been pro-active in collaborating with organisations and we'll also be making some spatial data available to the public via our website."

CV

Marc Gellatly

Current Role Senior GIS analyst

Previous roles GIS analyst at The Crown Estate, plans advisor at Registers of Scotland, land surveyor

Education BSc (Hons) Building Engineering & Management

Memberships /other Member of Association for Geographic Information



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