

Agenda

**Thirty-fifth Meeting
Crown Estate Scotland Board
Quartermile Two, Edinburgh
24 May 2023
10am – 3pm**

- | | | | |
|--------------|---|--|--------------|
| 10am | 1. Standing Items | | |
| | 1.1 Apologies and Declarations of Interest | | |
| | 1.2 Approval of Minutes of Meeting held on 1 March 2023 | | Attached |
| | 1.3 Matters Arising and Action Trackers | | Attached |
| | + 1.4 Decisions taken out of meeting | | BD(2023)35.1 |
| | + 1.5 Stakeholder meetings | | BD(2023)35.2 |
| 10.20 | 2. Board Committees | | |
| | 2.1 Remuneration Committee | | Verbal |
| | 2.2 Investment Committee | | Verbal |
| | 2.3 Audit & Risk Committee | | Verbal |
| 10.50 | 3. Management Reports | | |
| | 3.1 Chief Executive's Report | | BD(2023)35.3 |
| | * 3.2 Finance Report | | BD(2023)35.4 |
| | * 3.3 People Report | | BD(2023)35.5 |
| | * 3.4 Nigg – Update | | Verbal |
| 12.30 | Lunch – with staff | | |
| 1.30 | 4. Decisions and Discussion | | |
| | * 4.1 Corporate Plan / Vision | | Verbal |
| 2.10 | * 4.2 Staff Conference 2023 – next steps / actions | | Verbal |
| 2.55 | 5. Governance | | |
| | 5.1 Annual Compliance reporting | | BD(2023)35.6 |
| | 5.2 Board Annual Appraisals | | Verbal |
| | 6. Any Other Business | | |
| | 7. Date of Next Meeting | | |
| | 30 August 2023 | | |

*This item will be treated as closed business and the paper exempt from publication in terms of s33(1)(b) of the Freedom of Information (Scotland) Act 2002

** This item will be treated as closed business and the paper exempt from publication in terms of s29(1)(a) of the Freedom of Information (Scotland) Act 2002.

+ This item is for noting

Minutes for	Thirty-fifth Board Meeting	BD(2023)35
Meeting date	24 May 2023	
Security classification	Restricted	
This document contains commercially sensitive and confidential information and may relate to the formulation of policy.		
Minutes for the meeting of the Board of Crown Estate Scotland held at Quatermile 2, Edinburgh and by video conference call on Wednesday, 24 May 2023		

Present:

Amanda Bryan	Chair
Dr Michael Foxley	Until Minute Item 3.2
Jean Lindsay	
Robert Mackenzie	
Euan McVicar	
Ailsa Raeburn	

In attendance:

Ronan O'Hara	Chief Executive
Esther Black	Director of Corporate Operations
Oster Milambo	Director of Property
Alastair Milloy	Director of Finance & Business Services
Colin Palmer	Director of Marine
Helen Howden	Governance Manager (minutes)

By invitation:

Isla Baker	HR Business Partner (for Minute item 3.3)
Tom Findlay	Energy Ports Development Manager (for Minute item 3.4)
Fiona Haywood	Senior HR Manager (for Minute item 3.3)
Ailsa Moorhead	PMO Manager (for Minute item 4.1)
Anna Morgan	Financial Controller (until Minute item 3.3 and then for item 4.1)
Amal Palin	Communications Manager (for Minutes item 4.2)

1. Standing Items

1.1 Welcome and Apologies

The Chair welcomed everyone to the meeting, which would be her last as Chair of the Crown Estate Scotland Board. Apologies had been received in advance from Ann Allen, Katerina Brown and Liz Leonard. Michael Foxley had intimated that he would only be able to attend part of the meeting.

1.2 Declarations of Interest

There were no new declarations of interest in respect of items on the agenda. Members were reminded that Amanda Bryan and Ailsa Raeburn were members of the Board of Highlands and Islands Enterprise (HIE) and that HIE were also involved in the potential development at Nigg. Neither member took part in the discussions on Nigg during HIE Board meetings.

1.3 Approval of Minutes of Meetings held on 1 March 2023

The minutes of the meeting held on 1 March 2023 were **approved**.

1.4 Matters Arising and Action Tracker

Noted that:

- (a) the revised partnership agreement (actions 29/5 and 34/1) remained with PCS for comment. It was understood that the delay in finalising this came down to the union having time to respond. It was on the agenda for the next face-to-face meeting between management and the union.
- (b) the Chief Executive had met with the Board Chair and the Chair of the Audit & Risk Committee to discuss the governance of H&S within the organisation (action 34/2). During that meeting it had been agreed that some refinements would be made to the H&S Framework (HSP01).

1.5 Decisions taken out of meeting (paper BD(2023)35.1)

Noted that:

- (a) the response to the Scottish Government's requests in relation to the ScotWind option fee income had been positively handled and discussions had now concluded. A draft Direction in relation to the preparation of the accounts, which included the 13% revenue to capital conversion, for FY2023-24 and 2024-25 had now been received and was being reviewed. The Direction would be circulated to the Board once signed by Scottish Ministers.

Action: 35/1 (HH)

- (b) in response to the paper which sought approval of the Capital and Revenue budget for 2023-26, members had requested further information on the incorporation of wider value into investment decision making and further detail on the 10+ year financial model. It was intended that responses to these information requests would be given in the autumn, either at the August Board meeting or during the next strategic session.

Action: 35/2 (AM)

1.6 Stakeholder meetings (paper BD(2023)35.2)

Noted that:

- (a) the meeting with HM The King had taken place on 21 April and not 21 May as stated in the paper.

- (b) the Chair had also attended the opening of Corpach Marina and was a judge for the Scottish IOD Director of the Year awards. Esther Black had been shortlisted in two of the award categories and the Board wished her well for the finals.

2. Board Committees

2.1 Remuneration Committee

Noted that:

- (a) a pay award for 2022-23 had been implemented by Crown Estate Scotland. There remained a dispute at national level in relation to pensions. Agreed as part of the pay settlement was a two-year extension to the no compulsory redundancy position; the piloting of a one-hour a week wellbeing hour; and a commitment to pay coherence discussions.
- (b) Scottish Government's public sector pay strategy for 2023-24 has just been published and is a framework which includes some recommendations for organisations to consider in relation to pay and reward. The technical guidance which supports the strategy has not yet been published.
- (c) PCS have not yet submitted their 2023-24 pay claim but pay progression, which is contractual in Crown Estate Scotland, will be implemented.
- (d) the Executive Team had been asked to prepare a pay and reward strategy for the organisation over a year ago and that work had still not been completed. The Committee expressed frustration at the length of time which this has taken and the level of input which has had to be given to support the drafting of the strategy.

2.2 Investment Committee

Noted that:

- (a) the Committee had received presentations on the development of the 10+ year portfolio model, the portfolio performance dashboard and the business case trackers for investment and divestment. The Committee had held a good discussion on these but were still keen to see how the refreshed value project asset profiles would be incorporated into these tools.
- (b) consideration of a strategic outline business case for the proposed investment at Nigg had been the most substantive item on the agenda and the Committee had approved a recommendation to proceed to prepare a full business case.
- (c) the Committee also received an update on the proposed investment at Scapa Flow, some thinking which was developing around the commercial property at George Street in Edinburgh and had been appraised of some project governance issues with the Montrose ZeroFour project. The Committee had asked for more information to be provided to them in relation to potential investment opportunities around Mosstodloch following the drafting of a masterplan for the town.

- (d) a number of items had come forward to the Committee without supporting papers and the Head of Governance would try to restrict that happening in future. The establishment of an internal investment committee, which would review agenda items, would also help to ensure that the Committee were provided with all relevant information in advance of meetings.

2.3 Audit & Risk Committee

Noted that:

- (a) the out-going internal auditors, RSM UK Risk Assurance Services LLP, presented their draft annual opinion that Crown Estate Scotland has an adequate and effective framework for risk management, governance and internal control. The final opinion would be issued after completion of the report on the management of non-standard agreements. The governance kitemark to be awarded to Crown Estate Scotland following three years of governance audits had not yet been received.
- (b) the internal audit plan for 2023-26 had been approved by the Committee and a report from the external auditors on the interim audit and full audit preparations had been received. The regular Procurement report gave the Committee assurance that this was being well-managed.
- (c) a draft of the annual report to the Board and Accountable Office from the Committee had been prepared and would be finalised once the annual H&S report had been received from the H&S advisors.

3. Management Reports

3.1 Chief Executive's Report (paper BD(2023)35.3)

Noted that:

- (a) the coastal managing agent contract required to be re-tendered during the current financial year. As the value of the contract was anticipated to exceed the delegated authority limits over its lifetime, the Director of Finance & Business Services was liaising with the sponsor team to discuss whether consent from Scottish Ministers would be required prior to tendering.
- (b) a submission to the Scottish Government consultation on public sector reform had been made by the organisation. Not all members of the Board were sighted on this consultation and the Head of Governance was requested to circulate a link to the submission. A meeting of public sector body chairs was due to place before the end of May and updates would be circulated as appropriate.

Action: 35/3 (HH)

- (c) a response to the consultation on the Highly Protected Marine Areas had also been submitted which the Chair felt was appropriate and reflective of views of those coastal communities which the organisation worked with.

- (d) a request was made for the Board to be provided with an update on the position with the Capital Challenge Funds, including identification of where each project had reached and any variance from the original timescale for investment.

Action: 35/4 (EB/OM)

Agreed that:

- (a) assurance on the procurement process for the coastal managing agent contract tender on behalf of the Board would be delegated to Robert Mackenzie.

Michael Foxley gave his apologies and left the meeting at this point.

3.2 Finance Report (paper BD(2023)35.4)

Confidential: Closed Business

Noted that:

- (a) the figures presented to Board, which were the full year to 31 March 2023, were in draft and would be subject to change as the annual accounts were finalised and then audited. The figures were also presented with ScotWind option fee income included and without to allow examination of the financial position without this income.
- (b) overall the net revenue account was showing a net profit in excess of the budgeted figure, the increase being due principally to the rise in offshore wind and finfish revenue. As had previously been reported to the Audit & Risk Committee and to Board, turnover rental income was volatile and difficult to accurately budget although work was continuing to address that.
- (c) capital expenditure continued to be behind budget, a position that was unlikely to immediately improve in the 2023/24 financial year. A reforecast would be carried out in September with the built development team already working on reforecasting due to delays relating to the reprogramming of work at the Montrose ZeroFour development.
- (d) the Board expressed their frustration that the organisation was still not in a position to deliver capital expenditure and asked the Executive Team how this pattern of under-delivery would be broken. The Investment Committee had also asked for detail of how the underspend would be tackled.
- (e) although the Chief Executive's Report stated that the output from the Connonish mine was down, this was not reflected in the financial results. The figures came from the managing agents and had been discussed and confirmed.
- (f) procurement of taxation advice was being sought on a call-off basis.

The Financial Controller was thanked for her contributions and she left the meeting. The Head of People and the HR Business Partner joined the meeting.

3.3 People Report (paper BD(2023)35.5)

Noted that:

- (a) Jean Lindsay had provided comments in advance on the draft people strategy. She had again requested a strategic workforce plan be developed.
- (b) the Board asked for further information on how the People Strategy linked to the Corporate Plan delivery. The Corporate Plan was only referred to in the first paragraph of the Strategy. This Strategy was intended to cover the remaining period of the current Corporate Plan and would be reviewed as the new Corporate Plan was being developed to ensure that they were fully aligned.
- (c) reliability of data was an issue with low declaration rates on equality and diversity information by staff. This information was being captured through the new starter process and existing staff were being encouraged to provide the information with the People Team demonstrating the benefits to the organisation from having this data.
- (d) although Crown Estate Scotland was not a body subject to the specific duties under the public sector equality duty, the Board felt that consideration should be given to aligning with the requirements.

Action: 35/5 (AM)

The Head of People and the HR Business Partner were thanked for their contribution and they left the meeting. The Energy Ports Development Manager joined the meeting.

3.4 Nigg Update

Noted that:

- (a) following the presentation of the Strategic Outline Business Case to the Investment Committee at the start of the month, the landowner had communicated his unwillingness to continue to negotiate with Crown Estate Scotland.
- (b) the other parties were still keen to try to make the project happen and discussions with them were continuing to try to reach an agreed position and be ready if the landowner changed their mind.

The Energy Ports Development Manager was thanked for his contribution and he left the meeting. The Financial Controller re-joined the meeting along with the PMO Manager.

4. Decisions and Discussion

4.1 Corporate Plan / Vision

The Directors of Corporate Operations and Finance and Business Services took the Board through a presentation outlining the planning roadmap with timescales and key milestones for the development of the organisation's next Corporate Plan.

Noted that:

- (a) the next steps included asking for Board members to participate in a working group to provide guidance on the questions being posed. Robert Mackenzie, Euan McVicar and Ailsa Raeburn offered to participate in this working group.

- (b) the Strategic Management Plan (SMP) for the management of the Scottish Crown Estate was due to be reviewed by Scottish Ministers at the time of publication of the new Corporate Plan and the Director of Corporate Operations was holding regular engagement with the sponsor team to ensure that there was alignment with any revisions to the SMP.
- (c) business as usual and the need for investment in the current assets would be included in the next Corporate Plan following feedback that they were absent from the current Plan. This linked closely to delivery which the organisation was putting particular emphasis on.
- (d) during the process the purpose, values and roles of the organisation would be considered to ensure that they remained relevant. The Board were asked to consider these and to respond to the Director of Corporate Operations following the meeting.

The Financial Controller and PMO Manager were thanked for their contribution and they left the meeting. The Communications Manager joined.

4.2 Staff Conference 2023 – next steps / actions

A video message recorded by the consultants, Culture Builders, who had facilitated the staff conference had been circulated in advance to the Board and included a suggestion on next steps for the business to take in developing organisational culture.

Noted that:

- (a) Culture Builders had identified five themes, including bureaucracy and communication, which had been articulated by staff during the conference and that there were actions which could be taken in relation to all.
- (b) while staff were connected to the values of the organisation but these were not embedded in all aspects of their working practices and there was an opportunity to do that.
- (c) the Collaboration Forum, a group of senior managers, would be asked to support this work and to take a lead on addressing issues around process and bureaucracy as well as embedding values within organisational activity. However as this was in addition to other work, and people were already stretched, some consultancy resource would be brought in to support the development of a programme of work to build on the start made at the staff conference.
- (d) the Board would like the Executive Team to identify actions it could take in response to the Culture Builders' report.

Action: 35/6 (ROH)

The Communications Manager was thanked for her contribution and she left the meeting.

5. Governance

5.1 Annual Compliance Reporting (paper BD(2023)35.6)

Noted that:

- (a) the number of complaints which had been recorded in 2022-23 was significantly lower than in previous years. The Head of Governance wanted to ensure that complaints, including those received by the managing agents, were being accurately captured and recorded and would be running training sessions with staff and the agents to raise awareness of the complaints handling process.

5.2 Board Annual Appraisals

Noted that:

- (a) the Chair was in the process of carrying out the annual appraisals and that there would be an opportunity for the Board to consider effectiveness during June.

8. Any other business

Noted that:

- (a) this was the final quarterly meeting to be attended by the Chair and that thanks were due to her for her service since appointment in December 2016. She responded by saying it had been a privilege and a pleasure to serve and to help shape the development of Crown Estate Scotland.

9. Date of Next meeting

30 August 2023

Board Paper

Date of Meeting:	24 May 2023
Classification:	Unclassified
Subject:	Papers considered out of meeting
Paper Number:	BD(2023)35.1
Annexes:	n/a
Recommendation:	The Board is invited to note this paper.
Presenter:	Helen Howden
Author:	Helen Howden

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1. Purpose and context

This paper, which is for noting, records the decisions taken and matters considered by the Board out of meeting.

2. Papers considered out of meeting

2.1 ScotWind Option Monies (BD(2023)OOM1)

Confidential – Closed Business

The Board received a paper from the Chief Executive, Director of Finance & Business Services and the Financial Controller by email on 16 March 2023. This invited Board to note the engagement with Scottish Government and Audit Scotland in relation to the treatment of option fee income generated by the ScotWind leasing round and that the advice which had been sought had been received.

The Board approved the payment of all net ScotWind option fee monies to Scottish Government subject to the conditions which were set out in the paper. Members made comments on reaching agreement with Scottish Government on the costs associated with the management of the option agreements and were advised that this remains a matter under discussion with officials.

2.2 Capital and Revenue Budget 2023-26 (BD(2023)OOM2)

The draft revenue and capital budgets for 2023-26 were issued to Board for approval, before submission to Scottish Government, and a discussion held with members to discuss the drafts on 31 March 2023. The revenue budget had been presented to Board at its meeting on 1 March 2023 and there had not been any material changes made since then.

The Board noted that Scottish Government had indicated its agreement to a revenue to capital conversion rate of 13% for the next two financial years, subject to conditions and to the exclusion of ScotWind and INTOG option fee income. Members raised questions around the ability of the organisation to meet the conditions in the context of previous delays on capital expenditure. Further information on the incorporation of the value project work into investment decisions and on how the 10+year financial model was progressing, was sought by members.

The Board approved the draft budgets.

Before the end of the call on 31 March 2023, the Board was invited to approve the process for finalising the Business Plan for 2023-24 which had previously been circulated by the Director of Corporate Operations. The Board confirmed that the Chair and Chief Executive could approve the final draft of the Plan before it was submitted to Scottish Government for approval.

2.3 Capital Release from Farms Pilot Initiative – Progress Report (BD(2023)OOM3)

A paper providing the Board with an update on the progress of the capital release from farms pilot with Board being asked to note the summary of the declaration of intent forms which had been received and that the organisation was moving to the next stage in the process which was the confirmation that it was a willing buyer / seller for each property.

Board Paper

Date of Meeting: 24 May 2023

Classification: Unrestricted

Subject: Stakeholder Meetings

Paper Number: BD(2023)35.2

Recommendation: The Board is invited to note this paper.

Presenter: Amanda Bryan

Author: Rebecca Finnie

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1. Purpose and context

This paper provides the Board with details of the meetings and events which the Chair and the Chief Executive have held with stakeholders during the period from 11 February 2023 to 12 May 2023.

This paper also now includes a summary of other stakeholder engagement and events.

2. Meetings and Events attended

The Chair and Chief Executive both attended or met:

- His Majesty The King at Birkhall on 21 April 2023.
- A HIREP meeting on 10 March 2023.
- The COHI on South Uist on 27 March 2023.
- Paul Steele and Malcolm Burr from Comhairle nan Eilean Siar on 28 March 2023.
- Cllr James Stockan and Oliver Reid, Chief Executive from Orkney Islands Council on 28 March 2023.
- A session with the Future Forum (formerly the Children and Young Person's Forum) on 19 April 2023.

The Chair attended or met:

- Director of Marine Scotland, Annabel Turpie on 14 April 2023.

The Chief Executive attended or met with:

- Dawn Roberts, Chief Executive and Co-leaders of Dumfries and Galloway Council on 20 February 2023.
- A visit to Applegirth on 21 June 2023.
- Adrian Gillespie, Chief Executive of Scottish Enterprise on 21 February 2023.
- Tavish Scott, Chief Executive of Salmon Scotland on 22 February 2023.
- Alastair Nairn of the TWG on 24 February 2023.
- Colin MacBean, Deputy Director More Homes Division, and other SG Housing Colleagues on 24 February 2023.
- An SG group, comprising of, amongst others, Caroline Cowan and Carla Plasberg-Hill to discuss the CES ScotWind option fee revenue transfer on 27 February 2023.
- A monthly catch up with the Sponsor team, Caroline Cowan, Rebecca Hackett and Carla Plasberg-Hill on 28 February 2023 and 28 April 2023.
- A NDPB and SDBG Joint Meeting, followed by an NDPB Forum on 9 March 2023.
- The Offshore Wind Liaison Group meeting on 13 March, with representatives of CES and SG in attendance, including Mike Palmer and Jo Blewett.
- A lunch with the Executive Team and a senior team from Anderson Strathern on 14 March 2023.
- Dave Signorini, Chief Executive, Scottish Forestry on 15 March 2023.
- Peter Reekie, Chief Executive, Scottish Futures Trust on 15 March 2023.
- Carla Plasberg-Hill from the Sponsor team on 20 March 2023.
- Carla Plasberg-Hill, Jo Blewett and Frances Pacitti from Scottish Government regarding an Offshore Wind workshop on 23 March 2023.
- Bobby Sandeman, KTLR's Head of Department on 31 March 2023.
- Sara Thiam, Chief Executive of SCDI on 4 April 2023.
- Tavish Scott and Iain Berrill from Salmon Scotland on 5 April 2023.
- Dan Labbad, Chief Executive of The Crown Estate on 18 April 2023.
- A visit to the Whitehill Estate on 19 April 2023.
- The Sponsor Team to discuss Business Cases on 24 April 2023. Andy Riley and Alastair Milloy also in attendance.
- An Asset Accelerator working group on 24 April 2023 with Hamish Trench (CEO) and Charlie Davis from the Land Commission. Katie Alexander, Tom Mallows and Esther Black also in attendance.
- Morag Angus, Deputy Director, Head of Property and Construction at SG on 25 April 2023.
- A monthly catch up with Hamish Trench, CEO of the Land Commission on 28 April 2023.
- Aidan Grisewood, Interim Director, Economic Strategy and Fair Work, SG on 2 May 2023.
- A Scottish Aquaculture Council meeting on 3 May 2023.
- A meeting with Sarah Roughead, Interim CEO and David Ritchie, Head of Partnerships and Engagement, from SNIB on 4 May 2023. Esther Black and Annie Breaden also in attendance.
- An introductory meeting with Fran Pacitti from the SG Offshore Wind Directorate on 4 May 2023.
- The Cross Party Group on Recreational Boating and Marine Tourism on 9 May 2023.

3. Other engagements and events

Recent events:

- The Corpach Marina Official Opening on 18 April 2023 (Chair).
- The Crown Estate's Spring Reception at the Royal Institute of British Architects on 11 May 2023 (Chief Executive).

Events coming up include:

- Aquaculture Awards 2023 dinner on 15 June 2023 in Inverness. Crown Estate Scotland are sponsoring an award and Alex Adrian, Aquaculture Operations Manager, has been nominated in the Outstanding Contribution category.

Board Paper

Date of Meeting:	24 May 2023
Classification:	Unrestricted
Subject:	Annual Compliance Reporting (FOISA and complaints)
Paper Number:	BD(2023)35.6
Annexes:	Annex A: Information Requests 2022-23 Annex B: Complaints Handling 2022-23
Recommendation:	The Board is invited to note the content of this paper and the annexes to it.
Presenter:	Helen Howden
Author:	Helen Howden

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1. Purpose and context

The reports annexed to this paper provide the Board with information on our handling of information requests and complaints.

2. Background

As a public body, Crown Estate Scotland is committed to full compliance with:

- Freedom of Information (Scotland) Act 2002 ("FOISA")
- Environmental Information (Scotland) Regulations 2004 ("EIRs")
- Data Protection Act 2018.

The Report at Annex A is an annual report information requests received by the organisation in the period 1 April 2022 to 31 March 2023 and the Report at Annex B is on our complaints handling during the same period.

3. Recommendation

The Board is invited to note the contents of this paper and the annexes to it.

Annex A

Information Requests - Annual Report 2022-23

Background

The **Freedom of Information (Scotland) Act 2002** ("FOISA") provides a statutory right of access to recorded information held by Scottish public bodies, including Crown Estate Scotland, and incorporates the Environmental Information (Scotland) Regulations 2004 ("EIRs").

The **Data Protection Act 2018** provides individuals with enhanced rights about the use and storage of their personal data. These include requirements for an organisation to obtain specific consent to use personal data; the right for individuals to see the personal data an organisation holds about them; and the right to request that an organisation deletes their personal data.

Report

This report covers the period from 1 April 2022 to 31 March 2023 and summarises the requests for information received under FOISA and EIRs during this period.

Statistical Summary

FOISA and EIRs

	2020-21	2021-22	2022-23
Requests for information received	39	46	51
Requests for information responded to	38	44	51
Percentage of requests responded to within 20 working days (or within 40 days for a complex EIR request)	95%	98%	96%
Average response time (working days)	14.6	12	13.02
Number of reviews carried out	4	2	1
Number of cases appealed to the Scottish Information Commissioner	1	0	0
Decisions issued by the Scottish Information Commissioner	0	0	0

Operation of the FOISA and EIRs within Crown Estate Scotland

We do not include "business as usual" requests in these statistics. These are simple requests for information which are responded to promptly and directly with the requested information by the member of staff who receives the request.

All other information requests are handled by the Information Advisor.

Requests from media sources (for example, journalists) are managed by the Director of Corporate Operations.

Our publication scheme is periodically updated and is available through the Crown Estate Scotland website. We also publish details of information requests received and our responses on the website.

Type of Information Requested

Requests received included those seeking information on:

- ScotWind and INTOG (including costs, applicant details, community benefits);
- Landownership, including foreshore; and
- Expenditure on legal advice

Appeals

Following a request for information under FOISA or EIRs, an applicant has the right to request a review of Crown Estate Scotland's handling of their request if they are dissatisfied with the response received or if they feel that the organisation has not complied with their legal obligations. An applicant has up to 40 working days following receipt of a response in which to submit their request for a review.

We received one request for review in the period covered by this report.

The review resulted in copies of documents being provided to the requester rather than the summary of information given in the original response.

Cases appealed to the Scottish Information Commissioner and Decision Notices Issued

In the event that a public authority fails to respond to a request or if the requester is not satisfied with the outcome of a review, there is a further right for an applicant to appeal to the Scottish Information Commissioner. An applicant has up to 6 months following the outcome of a review in which to apply to the Commissioner. Following a Decision by the Commissioner, an applicant who is still dissatisfied has a further right of review to the Court of Session, but on a point of law only.

We received no notification of appeals having been made to the Scottish Information Commissioner during the period of this report.

Requests under Data Protection legislation

During the period 1 April 2022 – 31 March 2023 we did not receive any request from parties wishing to exercise any of their rights under data protection legislation.

Training

Training on freedom of information and on data protection is given as part of the induction process for new employees. All staff complete an online data protection course on an annual basis. During the year the Information Advisor held refresher training sessions for staff on how we respond to freedom of information requests.

Annex B

Complaints Handling Procedure Annual Report 2022-23

Background

1. The Public Services Reform (Scotland) Act 2010 gave the Scottish Public Services Ombudsman (SPSO) responsibilities and powers, specifically, to oversee the development of model Complaints Handling Procedures (CHPs) for each sector including Scottish Government. The main aims of the model CHP are early resolution of a complaint as close to the point of contact as possible and making best use of lessons learned from complaints.
2. As a public body, Crown Estate Scotland is required to adopt and to follow the two-stage model CHP, details of which are published on our website.

Recording and Reporting

3. It is a requirement of the SPSO's model CHP that organisations record all complaints and that reports detailing key performance information are submitted to the Executive Team and annually to the Board.

Complaints

4. In the period of this report two complaints (9 less than in 2021-22) were recorded either directly by us or through our managing agents. One of these complaints was not responded to within the time periods set out in the CHP.
5. The complaints received related to a rent review on the rural estate not having following the process set out in the Tenant Farming Commissioners Code of Practice and a refusal of the organisation to grant a licence for gold-panning on the Estate.
6. We received notification from the SPSO that they had been requested to investigate a complaint response made by us in 2021-22 but that they had declined to do so as the matter was subject to litigation. We are not a party to any litigation relating to the subject of the complaint.

Training

7. Training on the CHP is given to all staff as part of the induction process. We will be carrying out further training with staff during the coming year and will be holding sessions for our managing agents.

Board Paper

Date of Meeting:	24 May 2023
Classification:	Unrestricted
Subject:	Chief Executive's Report
Paper Number:	BD(2023)35.3
Annexes:	Annex A: Q4 2022-23 Performance Dashboard
Recommendation:	The Board is invited to note (a) the report which covers activity from mid-February 2023 to early-May 2023 and (b) the Q4 Performance Dashboard at Annex A.
Presenter:	Ronan O'Hara
Author:	Various

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1. Overview

Delivery on the 2022-23 Business Plan is covered in the annexed quarterly dashboard. Separate papers cover People & HR and Stakeholder meetings & engagement.

Key points to note include:

- E&I and Corporate Affairs worked on the announcement of the INTOG results in line with agreed approach to issues management;
- The Coastal managing agent contract is to be retendered this financial year;
- The 2023-24 Business Plan has been submitted to Scottish Government for Ministerial approval. Publication is now expected in late May.
- Work to bring forward additional resourcing, organisational development and design activities, and strengthen our culture is in development.

2. Health & Safety (H&S)

Our H&S Advisors, EDP, are continuing work on the new H&S Management System (HSMS), drafting new H&S Management Procedures (HSMP) and Operational Procedures alongside our in-house H&S Working Group. The new procedures will talk to our existing

policies. EDP delivered an online risk assessment workshop to all staff on 20 April 2023 and further follow up sessions with specific teams are being planned.

Our H&S Central Committee had its quarterly meeting in May and discussed amendments to policies, improvements to the Health & Safety Action Tracker, Health & Wellbeing and other areas of compliance monitoring. There were no near misses, incidents, or accidents reported by staff in Q4.

There was however an incident/near miss reported by a member of the public on 5 March 2023 involving a suspicious device (UXO) being washed up on the shingle spit near the Whale & Dolphin centre. No Crown Estate Scotland staff were involved, and it was reported to the police who dealt with its safe disposal.

3. Risk Management

Board held a discussion on risk appetite during the February strategy session. The consensus was that the level of risk appetite should not be changed at this point in time and management were requested to review and refresh the language in the risk management policy. It was acknowledged by all attendees that the risks presenting have changed significantly over the last 12 months.

A first draft review of the risk register was discussed at the latest Audit & Risk Committee meeting along with the policy, giving members a chance to suggest changes. A further version will be discussed at the next Audit & Risk Committee meeting along with any recommended changes to the policy.

4. Procurement

The Strategic Investment Management (SIM) Services contract was awarded to ARUP. This procurement was let and evaluated by a group representing the signatories of the collaborative framework including other public bodies and OW developers.

Scottish Government have published Public Procurement Strategy for Scotland 2023-2028 with an expectation that the changes in focus will progressively be reflected in organisation's procurement strategies. This will require a phased approach following review. Scottish Government have also released a SPPN 2023/2 which relates to annual review of Procurement Strategies and content of Annual Procurement Reports.

5. IT and Cybersecurity

Following an internal assessment, we are now 94.65% aligned to the Scottish Government's Cyber Resilience Framework version 1 at the target level (100% baseline level). This confirms we have exceeded our business plan target of 90% alignment in 2022-23. Scottish Government are in the process of drafting version 2 of the framework. We aim

to be 100% aligned to the updated “Tier 1” level (which replaces both baseline and target) by the end of 2023-24.

The new Supplier Cyber Security Policy is now live, and all IT/Security policies have been reviewed, updated as appropriate and reissued. These have not been significant changes - just tightening up processes and addressing gaps.

We have been reviewing our event management solution. We are close to deciding on how best to move forward to create a greater level of detection of malicious activity. We are considering if an alternative platform would provide better value. This is aimed both at improving our awareness of potential attacks, as they happen, and relatedly is part of achieving 100% compliance to Tier 1 of version 2 of the Cyber Resilience Framework.

We are in the process of preparing a proof-of-concept setup of Windows 11 in preparation for a pilot ahead of Windows 10 going end of life in 2025. We are also looking at the way laptops are setup to move to a modern setup process following Microsoft current guidance. We had considered the use of Smart Cards but have decided against this due to logistic and technology limitations.

Long Term Asset Management System ITT

Following the unsuccessful tender, we are reviewing our options. This includes increasing the estimated cost for the next 10 years from £1m to £2-3m, considering options for the T&Cs and reviewing the timing of this project and how this links into other major projects (coastal managing agents and the contract end date on the finance system). It may be that the new system is delayed by 12 months and goes live in November 2025.

6. Corporate Operations

Corporate Affairs

We continue to work on matters relating to ScotWind in line with the update provided to Board via email on 10 February 2023. Recent supply chain announcements have provided positive content and messaging for the team to push out to via our channels, and we have secured coverage in outlets such as the Financial Times' FDI.

Working closely with E&I colleagues, the team used a range of channels to communicate the announcement of 13 successful INTOG applicants on 24 March. The announcement of five IN and eight TOG projects, was reported across both specialist and mainstream media.

Coverage was positive in tone, with more than 93% 'strongly positive' or 'slightly positive'. Key general titles included: The Guardian

The Times

The Herald

The Scotsman

BBC News website

Press & Journal

Daily Mail (UK edition)
Business Insider
Reuters.com

Seven media articles (6.9% of total) were 'slightly negative' due to concerns from fishing communities that INTOG would prevent vessels from accessing certain areas. There were 348 social media posts about INTOG identified between 24 March and 21 April.

Work to implement recommendations from the independent review of Corporate Affairs is constrained by delays to securing increased capacity.

Policy

Scottish Government's consultation on the first stage of the Highly Protected Marine Areas (HPMAs) designation process closed in April. The process is proving controversial with significant concerns reported in the media from coastal communities about the potential impact on livelihoods. Feedback from Board on the draft response shaped our final submission. Our key points include the need for HPMAs to be considered in the wider context of other government, plans, policies and strategies; the potential for communities to be impacted both positively and negatively by HPMAs – the process of site selection must be clear, transparent, and inclusive; HPMAs must be future-proofed and not hinder energy security and progress towards net zero; and the final policy framework must seek to balance tensions between traditional economic activities which form the basis of the livelihoods of coastal communities and the requirement to protect and enhance biodiversity. We will continue to engage with Marine Scotland as the designation process continues.

We have also responded to the consultation on Scottish Government's draft Energy Strategy and Just Transition Plan. Our response highlighted the need for Scottish Government to provide clear, evidenced long-term ambitions for offshore wind and marine energy to indicate the scale of offshore wind deployment that Scottish Government is targeting, and to reflect both net zero commitments and industrial aspiration, thus providing greater clarity for the renewables sector, investors and communities. In addition, we noted that a strategic, joined-up and collaborative approach across the UK is vital to achieving net zero targets and realising the associated economic and environmental opportunities. This is particularly relevant for us in relation to offshore energy production, grid planning, CCUS opportunities, and hydrogen production, storage and export.

The Sustainable Communities Fund will be relaunched in August 2023. Feedback from the external panel for the Community Capacity grants in February 2023 was very supportive and indicated that the grants remain very relevant. The objectives of the grants will be reviewed in advance of relaunch. Although we do not anticipate significant changes there may be a more direct link to wider policy aims related to, for example, community wealth building. The contract for the administrative support for the Community Capacity grants is currently being retendered.

The objectives for the Environment grants will be reviewed to ensure close alignment with key Scottish Government policy initiatives such as the Biodiversity Strategy.

We continue to implement our Green Travel and Office Plan. Work is almost complete on contracting a new bike to work supplier, broadening the range of the scheme so that local shops and providers can be used. Sustainable travel information has been added to our website and staff are being surveyed on cycle to work needs to QM2 to help inform discussions with QM agents on potential new active travel provision.

Partnerships

Challenge Funds update

- Boat Based Tourism at Stage 3. Corpach Maina officially opened on 18 April 2023. Of the remaining five projects, three FBCs continue to be developed and the two North Ayrshire Council applications are on hold pending recruitment to the Property team.
- Local Partnerships: five FBCs progressing for potential projects totaling £1.8m.
- Innovation with Natural Resources: Seven SOBCs progressing for projects totalling £2.78m
- A number of the business cases developed to date are challenging from a traditional investment perspective and managing expectations moving forward will be key along with exploring more fully the scope to generate and deliver non-financial value.

Other

- Community Land Acquisition Accelerator: An MOU between Crown Estate Scotland and Scottish Land Commission has been signed and recruitment is underway for a Community Land Accelerator Manager. Initial communications are being planned. Learning from the challenge funds, care needs to be taken to manage external stakeholder expectations from day one, and to take into account both current capacity constraints within Crown Estate Scotland and uncertainty regarding capital funding after 2024-25.
- The MOU between Crown Estate Scotland and North Ayrshire Council has now expired. Communication between the two organisations is ongoing whilst we explore options for a new MOU focusing on enabling regeneration within the area.
- Phase 2 of the Glenlivet Future Plan engagement programme will recommence end of May, with additional consideration to the interplay and synergies between the Cairngorms National Park Partnership Plan 2022-27 and the Glenlivet Future Plan. This activity will also feed into work in 2023-25 to develop a better understanding of the long-term Total Cost of Management associated with Glenlivet.
- Orkney Islands Council (OIC) Pilot is now live, and the process explained on both CES and OIC websites.

7. Energy and Infrastructure

- We continue to offer significant support to SOWEC with various activities including workgroup support and financial commitment to the priorities identified in the

roadmaps. Gillian Martin MSP, Minister for Energy, and Brian McFarlane SSE are the co-chairs. The Strategic Investment Model (SIM), which is the primary output to date of the Collaborative Framework, is opening for applications on 11 May, with initial screening expected to take place in June. On behalf of SOWEC, Crown Estate Scotland concluded the procurement of SIM Management Services with the contract being awarded to ARUP. The contract is expected to novate to the new SIM legal vehicle after c. 6 months. Industry and Scottish Government have committed to this next management phase with an overall budget of £400k and there continues to be significant interest in the SIM from Scotland, the rest of the UK and potential inward investors.

- The original 17 ScotWind projects have all now updated SCDS's within the April deadline. These are currently going through our internal review processes. Outlook Statements are expected to be published online mid-June.
- The 13 successful INTOG projects (out of a total of 19 applications) - five for IN and eight for TOG - have been offered Exclusivity Agreements. These are now being progressed with the successful parties and all agreements are set to be concluded by Summer 2023. If all parties progress, projected Option Fee receipts of c.£262M will be secured when the Sectoral Marine Plan concludes in 2024 and Option Agreements are signed. CES is working with a range of government departments and industries to help support a successful outcome from this challenging initiative.
- The team remains focused on progressing the opportunities for port investment at Scapa and Nigg. These projects were discussed at Investment Committee in May, with a SOBC being presented and support given for a full business case to be prepared for the May Board if possible. However, it should be noted that at the point of writing, following 10 months of engagement with terms close to being finalised, the landowner has indicated a desire to negotiate a lease agreement directly with Global Energy rather than the agreement with Crown Estate Scotland. We will update with the latest position at the May Board.
- It has been agreed to work together with The Crown Estate to publish data from our tenants on the Marine Data Exchange hosted by The Crown Estate. Implementation will progress over the coming year.
- The E&I team contributed to [The Crown Estate Offshore Wind Report 2022](#)
- A joint exercise was undertaken with The Crown Estate to engage with industry regarding appetite and views on future CCS leasing. We have also now re-launched an ITT to get professional support for the development of CCS leasing and will continue to engage with stakeholders as this process is developed over the coming year.
- We continue to undertake enabling activity regarding emerging opportunities, including having appointed Xodus Group to produce a report exploring different commercial models for the future development of strategic hydrogen infrastructure in and around Scottish waters. This is due to be completed by the end of May.
- With the focus of development of grid in the UK, a significant focus of the team is engaging on new electricity interconnector agreements. As we develop more generating and transmission infrastructure, interactions on the seabed require increased management.

8. Aquaculture

The Scottish Government review of aquaculture regulation continues. Alongside this, albeit considered part of the wider reviewing process, is SEPA's proposal for a spatial management framework to control sea-lice infestations on farmed and wild salmon and sea trout stocks which is encountering industry concern. It is to be consulted upon imminently. The government have also just put their Vision for Sustainable Aquaculture out for consultation.

In relation to the whole review process, it is not clear at this point to anticipate just what will come of it, particularly in relation to the scope of challenges facing different industry sectors right now. We will continue to monitor this and input as appropriate.

Updated lease terms following our root and branch review are now 'live', and all finfish and seaweed farming tenants are signed up. Some shellfish tenants have yet to do so but we anticipate this will be addressed over time. One measure is our position of refusing certain transactions on leases such as assignments where these do not now incorporate the current terms.

In relation to new transactions and aquaculture sites being applied for, there is limited development interest evident right now. That may reflect something of a holding position by industry given on-going matters like the government's review and others such as HPMAs proposals.

9. Property

Countryside Management

At Glenlivet, 13 stiles have been replaced with pedestrian gates to improve accessibility and safety, the Cairngorms National Park Junior Rangers have begun work creating a dead hedge around the forest school area, and the Park's Volunteer Rangers have also continued work with us including undertaking removal of invasive species.

Biodiversity and engagement work also continue with planning ongoing for Twinflower relocation, pollinator monitoring and peatland restoration. In addition, Black Grouse lek sites have been monitored. The Head Ranger was one of the key speakers at the first Moray Nature Festival.

Coastal

We will bring the current Coastal managing agent contract to an end on 31 March 2024 and retender the contract in 2023-24. The scope of the re-tender is under discussion. The intention is to provide a commercial contract to meet the core property management requirements of the portfolio alongside additional asset management capability.

Progress with the sale of Rhu Marina is awaiting appointment of agents to act for Crown Estate Scotland. The limit on sale value in the current agents' contracts and a conflict of

interest with Turner & Townsend's (Development Services contract) have prevented a direct appointment.

Rural

On farm sales, 19 Declaration of Intent forms have been received – 18 intending to pursue a purchase and 1 intending to pursue a surrender of their tenancy. Further information is in the update provided to Board by email on 3 May.

The team has started the process of re-letting the Glenlivet Sporting lease on the open market in line the Board decision taken in 2020. The lease will be re-tendered with additional mitigation measures. Tenants and local elected representatives have been informed as part of a wider communications plan. We are preparing draft heads of terms and background information in liaison with other public agencies, so that the opportunity can be marketed in July 2023.

At Portgordon, the sale of 19-21 West High Street was concluded with Portgordon Community Trust in February 2023 as part of the project to create a new Community Hub. Contractors commenced repairs to the harbour structure in April 2023, which should take about 6 weeks to complete.

We have awarded contracts for fencing works in March 2023 in lots across all four estates, 5 in the south and 4 in the north, covering both farming and forestry fences as highlighted by tenants. At the same time a fencing framework contract was also tendered resulting in the appointment of five ranked contractors representing a good balance of local and centrally based. Work has already commenced to instruct individual fencing works repairs. Strutt & Parker have had further discussions with Moray Council, NatureScot and EDP Health & Safety advisors regarding the coastal erosion at Kingston beach, Fochabers, which continues to expose metal, concrete and asbestos. Any asbestos items are regularly removed by licenced contractors & the site monitored. Actions being worked up include carrying out trial pits and other survey work, re-charging the shingle and installing new safety fencing.

We continue to work closely with Moray Council to improve both the quality and resilience of private water supplies across Fochabers and Glenlivet estates.

Scotgold, our tenant at the Cononish gold mine, encountered mine development difficulties towards the end of 2022 resulting in a significant reduction in production, processing and cashflow. They then raised additional funds from investors to implement a new mine plan involving long hole stope mining.

As part of continued support for wild salmon fisheries sector, we've worked with Marine Scotland Fisheries to fund the first phase of a project to develop an online fisheries management plan template & allow input of initial data for all salmon fisheries management districts in Scotland.

Montrose ZeroFour

Following completion of RIBA Stage 2 (Concept Design), the End of Stage Report, the final report from the formal and independently led Gateway Review covering RIBA Stages 1 and 2 is expected in May. Early indications suggest key areas need to be addressed including project governance, business assurance and resourcing prior to the project progressing to the next stage.

Once a final report has been received, a detailed action plan will be developed, to address the recommendations with proposed responses shared internally to ensure lessons learned are applied to other projects across the organisation.

While design work has substantively been paused on the project, the Built Development Manager has continued positive engagement with community and commercial stakeholders, including presenting ZeroFour to Montrose Community Council and several site visits with interested commercial partners. Work is also being progressed on a refreshed environmental impact assessment for the site, ensuring existing planning consents remain live, and as such, the value of the site is maintained.

Mosstodloch Masterplan

We are leading the work to develop a masterplan for Mosstodloch in liaison with residents, Moray Council, partners and other stakeholders, to deliver a long-term vision for the area through to 2040.

A Final Draft of the Mosstodloch Masterplan 2040 has been produced following extensive consultation and engagement with the community and wider stakeholders.

The Council will present the Final Draft Mosstodloch Masterplan 2040 to their Planning Committee on 31 May, with recommendation to enter into statutory consultations. These consultations are expected to run to September/October 2023.

Commencing in May 2023, Stantec, our independent consultant, will work with the community to develop a Local Place Plan. Crown Estate Scotland will not be a controlling partner in the process, instead an equal partner and will engage alongside the community throughout.

Review of land for development

Following the publication of National Planning Framework 4, several new Local Development Plans are being developed across Scotland. As part of this process, the team has started reviewing land across our estate which may be suitable for development. The emphasis is on supporting corporate objectives and delivering a positive, planned spatial strategy across our estate. Work is currently underway to identify land in Moray through a Call for Ideas submission, which is due to be completed in early summer. Discussions are also underway with Dumfries and Galloway Council Planning Department, focusing on specific opportunities at Applegirth. The development framework for the Whitehill Estate

is also expected to feed into Midlothian Council's future Local Development Plan and work will continue to progress this.

PMO Development

The development of the Project Management Office has primarily focussed on understanding existing governance arrangements for projects, including major investments¹ under the SPFM. The next steps for the development of project governance are to centralise the function and ensure appropriate PM resource and training is provided within each functional area as appropriate and necessary. A proposal for project governance that takes into account structure, assurance and people has been prepared for review with the Executive Team. The proposed governance structure forms the 'backbone' of the project management framework and will establish consistent project / programme management controls, processes, tools, and reporting methods across the organisation.

Forestry

Tree planting on restock sites at Glenlivet Estate completed in good time by the end of March 2023 with relatively few weather-related interruptions. 105,000 young conifers were planted over 5 sites. Approximately 30 hectares of hinge mounding was completed over seven sites with tree planting planned for spring 2024.

Our Forestry Intern is working on a project investigating how commercial forestry can be managed to benefit peatland restoration on Glenlivet Estate.

10. Advance Notice and emerging issues

As conveyed in previous reports Crown Estate Scotland's self-financing model is predicated on earning revenues and converting a portion of revenues earned into capital on an annual basis to support maintenance and reinvestment activities. This mechanism is enshrined in the Scottish Crown Estate Act 2019. A revenue to capital settlement of 13% conversion for 2023-24 and 2024-25 has been confirmed by the Director of Marine Scotland. Discussions are now underway with SG Exchequer and SG Sponsor Branch to finalise the formal direction for FY 2023-24. Work will commence shortly alongside the corporate business planning process to set out the case for a long-term multi-year capital settlement.

Following ongoing engagement over the past 8 months with the Board, Executive Team, staff, SG plus others, work is now commencing on developing the organisation's capacity and capability. This will ensure that the current corporate plan can be delivered safely, that a series of emerging risks are addressed, and that the organisation is prepared for the next corporate planning cycle starting in FY 2025-26.

Several areas have emerged within the organisation that require additional resourcing in the short-term (1-2 years). This is consistent with the growth in turnover that has been enjoyed over the last 3-6 years, the development of a significant pipeline of capital

¹ SPFM classifies a major investment as any expenditure (inclusive of costs) with a Whole Life Cost > £5m

investment projects and emerging requirements associated with the climate and biodiversity crisis. As a result, additional resource will be required throughout the organisation including the Executive Team to deliver on our existing commitments and to manage the associated risks effectively. To ensure that the process is developed in a structured and considered way, it is proposed that the first phase will involve recruitment of roles that mitigate immediate strategic concerns and create capacity within the Executive Team. It is therefore proposed that two new roles be created within the Executive Team. One role covering aquaculture, aquaculture adaptation and resilience, biodiversity, natural capital delivery, and nature-based solutions. A second role covering capital investment delivery, decarbonisation, investment benefits reporting, climate adaptation and resilience, and whole life carbon costing is also under consideration.

In parallel, it is proposed that external expertise will support CES with onboarding and integrating the additional resources provided for in the FY 23/24 and FY 24/25 budget. It is also anticipated that external support will be sought to help advance a broader organisational development and design exercise, with consideration to both the immediate term and the period covered by the new corporate cycle starting in FY 25/26.

Finally, it is proposed that external advisors will be appointed to support us in optimising and strengthening our organisational culture based on the opportunities identified at the staff away day in March.

PCS has received a verbal notification regarding the proposed addition of extra staff.

We have had an FOI enquiry regarding renewal of sporting leases.

11. New Opportunities

Discussions with KLTR continue to understand how Crown Estate Scotland might be able to receive assets that support long-term value creation.

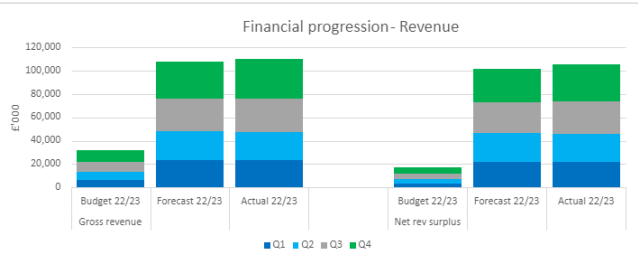
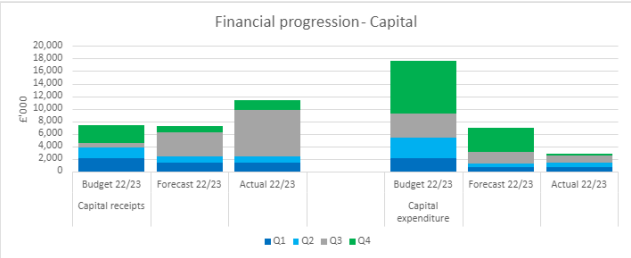
A workshop for Board will be held on 1 June to discuss the opportunities associated with the residential assets under management.

Board Dashboard – Q4 2022-23

Business Plan actions

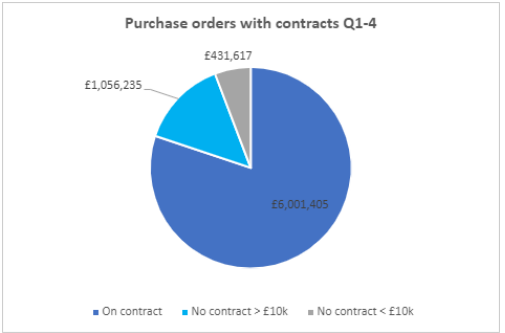
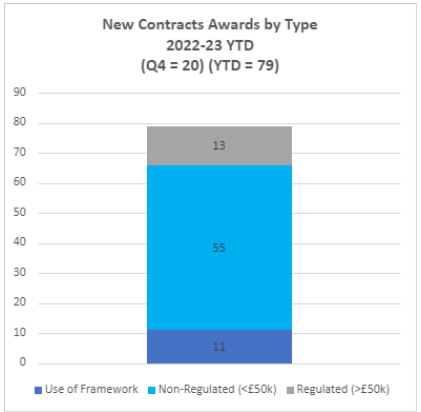
2022-23 Business Plan (27 green, 13 amber, 4 red)			
No	Measure	Status	Notes
	Completion of masterplan design, design code, revised EIA, detailed infrastructure design to enable works towards delivery of ZeroFour.	At Risk/Delayed	Project progressed to end of RIBA Stage 2 with end of Stage report produced to reflect this. CES appointed consultants, Gardiner & Theobald, to undertake a formal and independently led Gateway Review, for RIBA Stages 1-2 of the project. The review aimed to consider the viability of the project including assessment of progress, risk, and alignment with organisational goals. The Gateway Review process commenced in early March with a Draft Gateway Report due to be complete by mid April.
11	Memorandum of Understanding implementation on track, harbour management advisory group supported.	At Risk/Delayed	Risk escalated to risk register. Progress within Portgordon Community Trust to prepare for harbour ownership transfer previously scheduled for Dec 2023 appears to have slowed, and changes of trust membership/ board are contributing to this. Partnerships team is supporting property to address. We are also exploring short extension to MoU arrangement to facilitate responsible transfer of the harbour estate. However, Richmod Arms ownership transfer has completed, and HoT for harbour estate are in draft form.
16	All Category A and at least 50% of Category B & C condition survey works complete (some activity has been postponed from 2021-22 due to COVID-19).	At Risk/Delayed	99% of Cat A repair & improvements works completed on Glenlivet & Fochabers. Practical Completion Inspections completed in Q3 Fochabers & Q4 Glenlivet. Applegirth & Whitehill Cat A completed. Further Cat B & C repair works packages were tendered by Rural MA's in Q4 but work starting on site in 2023/24.
17	Overall approach reviewed; first phase of works complete.	Target will not be met	Overall approach was reviewed in May and November 2022. Two properties have had work scoped and approved but not yet completed. It has taken longer than expected for Rural MA to continue reviewing & scoping recommended energy efficiency works on vacant properties. Input from external energy efficiency consultants was obtained in Q4. A recommendation for initial phase of a programme for solar panel installation across tenanted & vacant properties is being finalised.
18	Development Framework including action plan action completed and proposed new land allocations submitted to the Midlothian Local Development Plan (subject to local authority timescales).	At Risk/Delayed	Final Draft Development Framework complete. Draft MOU with Council. Once MOU in place will progress framework into LDP process.
21	Opportunities identified and progressed by: <ul style="list-style-type: none">Producing a heat map for strategic development land to support sustainable economic development and wider value;Supporting strategic partner development opportunities; andPursuing strategic land acquisitions opportunities as they arise	At Risk/Delayed	Work has been re-programmed due to competing priorities and resource issues. To be progressed in financial year 23/24.
26	Initiatives with tenants identified and progressed.	At Risk/Delayed	Updated report from MA delayed to May 2023. MA's Supporting tenants with Agri-Enviroment funding applications.
28	Opportunities identified and progressed.	At Risk/Delayed	Limited progress made due to work on farm sales pilot.
33	Vision developed with input from stakeholders; draft publication prepared for launch.	At Risk/Delayed	now wrapped into corporate planning work and will feature in frameworks and draft plans used for engagement and consultation over 2023/24.
42	Resolve title conflicts relating to CES managed foreshore. Complete registration of Whitehill Estate.	Target will not be met	Ongoing work on title conflicts, but other progress stalled due to lack of resource.
46	Report completed.	Target will not be met	SG are undertaking a piece of work on this topic. We are now feeding into that project (we are members of the steering group) rather than undertaking our own project.

Finance



Procurement

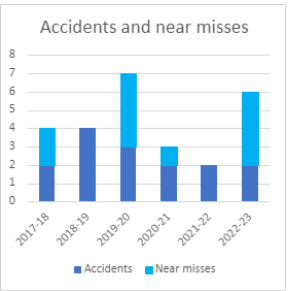
98 contracts LIVE on register, 33 are regulated



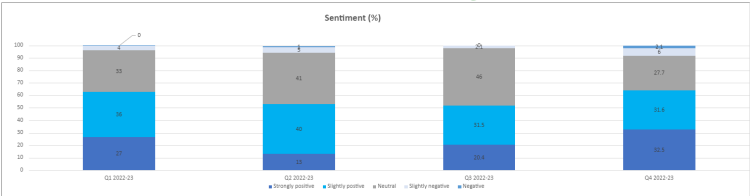
Property

Vacant, marketable properties:
Rural: 4; Urban: 0

H&S



Media sentiment and digital users



Key positive media story:
INTOG Winners

Most negative media story:
ScotWind option fees

Digital users	Q1 2022	Q2 2022	Q3 2023	Q4 2023
Twitter (impressions; +/- followers)	66k; +535	96k; +172	23k; -9	27k; +26
Website visitors	23,036	26,802	19,797	25,052
LinkedIn (impressions; +/- followers)	50k; +611	83k; +890	51k; +506	47k; -3741

FOIs

Requests received:
Q4 15

Topics include:

- Bidding criteria for INTOG
- Fish farm feed barge sinking at Loch Reraig
- Floating wind data

KPIs

KPIs: 7 Green, 1 Amber, 1 Red	Q4 YTD (Draft)	RAG Rating
Total Capital Committed (£)	15.5M	Red
Place Based Capital Committed (£)	10.7M	Red
Blue Economy Capital Committed (£)	4.8M	Red

Board Q4 2022-23 Dashboard – Notes

Business Plan – reporting by exception

Amber status	At risk / delayed.
Red status	Target missed / abandoned / will not be reached.

KPIs

Dashboard table relates to Corporate Plan KPIs. Most are tracked annually through the annual report except for capital committed which we report on quarterly, broken down as below.

KPI	Definition	Corporate Plan 2023 target	Notes
Total capital committed	All capital committed in 2020-23 through approved final business cases and case sheets	£70m	Excludes feasibility and business case development costs.
Capital committed to place-based projects	Capital committed in 2020-23 through approved final business cases and case sheets for buildings & places	£27m, indicative	This relates to the objective: Invest in buildings and help create great places. Assets: Built Environment.
Capital committed to blue economy	Capital committed in 2020-23 through approved final business cases and case sheets for blue economy	£26m, indicative	This relates to the objective: Support the sustainable expansion of Scotland's blue economy, focusing on marine and coastal development Assets: Mainly Marine and Coastal, but also including projects in Built Environment with direct links to the blue economy.

Procurement

New Contract Awards by Type

Contracts awarded YTD – total number plus categories.

Graph depicts the cumulative number and type of contracts awarded during the reporting period.

The total number of live contracts currently on the register is provided for context.

Stakeholder/Reputation

FOI

Number of requests for information, as responded to under the Freedom of Information (Scotland) Act 2002 and the Environmental Information (Scotland) Regulations 2004.

Media

Sentiment by quarter on rolling 12-month basis.

Most positive and most negative story

Digital communications metrics showing change on previous quarter.

Health & Safety

Accidents and near misses YTD.



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

Corporate planning update

24 May 2023

Corporate planning update



Planning roadmap – timescales and milestones



Recap and update on inputs / feedback

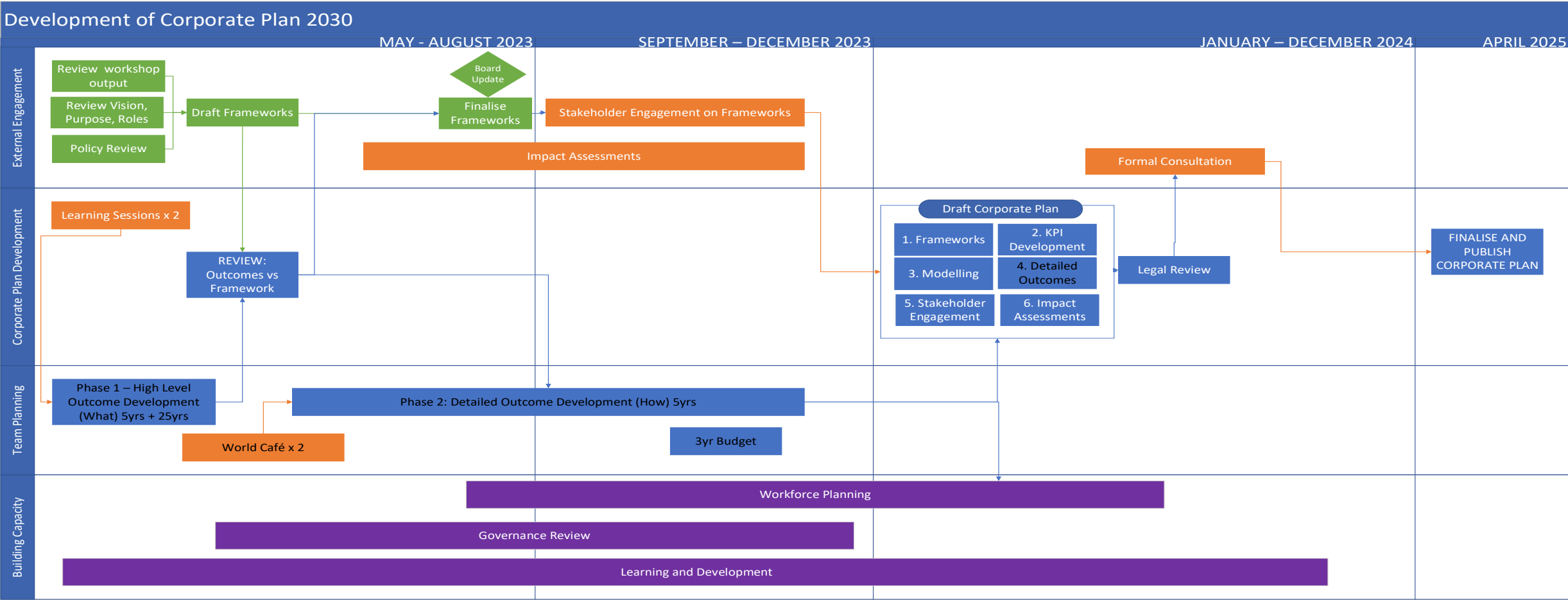


Draft Framework



Next steps

Planning roadmap



Key dates

June-Aug

- World cafés - in-person, half-day. Board and staff. Teams share.
- Framework signed off end of August

Sep-Dec

- External engagement – BMs may be invited to attend (online) meetings

Jan-May 2024

- Develop draft plan; ongoing updates; Board signs off draft corporate plan

Feedback summary

	INTERNAL	EXTERNAL
WHAT	Net zero, climate, nature. Energy & food security. Active in rural housing. Data as asset. Diversity of tenants and of models. A leader in measuring and delivering wider value. Max OSW benefits. Local energy systems. Hydrogen	Regenerative food production. Emissions reduction through heat & built. New approach to finfish farming. Be an exemplar landlord. Coastal communities – natural capital, capacity-building. Little mention of housing. Net zero, climate, nature. Energy & food security. Deliver!
HOW	Innovation. Data-led. Straddling communities, business and public sector. Clear focus. Long-term view. Agile decision-making. Partnerships. Whole-community approach.	Reset public & private. Local authorities. Data. Be clear on expectations and focus. Develop Enabler role. Maximise regional economic impacts.

Questions / challenges

- What we must do e.g. maintain value, H&S
- Where / what do we want to lead?
- Risk appetite. Diversity of portfolio. Innovation. Capital
- Policy agenda will shift – we need enduring Vision, Outcomes, etc
- Governance of the seas (e.g. HPMAs), tensions of transition to net zero, macro (e.g. supply chains), impact of cost crisis still to be felt

Draft Framework

- **Vision 2050** statement
 - Outcomes – what we want to achieve
- **Purpose** statement
 - Roles – fit-for-purpose?
- **Priorities** (objectives)
- **Values**
- **Principles**

Next steps

- Board steering group (informal)
- Bimonthly sessions with sponsor team (align with Strategic Management Plan)
- Prepare Draft Framework
- Team planning (Board to join sessions July / August)
- Finalise Draft Framework by end August.