



Agenda
Thirty-seventh Meeting
Crown Estate Scotland Board
Quartermile Two, Edinburgh
29 November 2023
10am – 3pm

	1. Standing Items	
10.00	1.1 Welcome and Declarations of Interest (<i>Katerina Brown apologies</i>)	
	1.2 Approval of Minutes of Meeting held on 30 August 2023	Attached
	1.3 Matters Arising and Action Tracker	Attached
	1.4 Decisions taken out of meeting	BD(2023)37.1
10.10	2. Board Committees	
	2.1 Remuneration Committee	Verbal
	2.2 Audit & Risk Committee	Verbal
	2.3 Investment Committee	Verbal
	3. Chief Executive's Report	
10.30	3.1 Chief Executive's Report	BD(2023)37.2
	4 Decisions	
10.45	* 4.1 Investment – Nigg	BD(2023)37.3
11.00 Break		
11.15	4.2 Interim Investment Strategy	BD(2023)37.4
	5. Discussion	
11.30	5.1 Value Project	BD(2023)37.5
12.00	5.2 Staff Survey – Culture	BD(2023)37.6
12.45 Lunch – colleagues have been invited to join		
1.15	5.3 Corporate Planning	BD(2023)37.7
	6. Management Reports	
1.30	* 6.1 Finance Report	BD(2023)37.8
1.50	6.2 Performance Report	BD(2023)37.9
2.10	6.3 Business Plan 2024-25	BD(2023)37.10
2.20	* 6.4 People Report	BD(2023)37.11
2.40	+ 6.5 [REDACTED]	BD(2023)37.12
2.50	+ 6.6 Stakeholder Engagement	BD(2023)37.13
	7. Any Other Business	
	8. Date of Next Meeting	
	28 February 2024	

***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

Sections of this Agenda have been redacted and are exempt from publication under s.33 of the Freedom of Information (Scotland) Act 2002

Minutes for	Thirty-seventh Board Meeting	BD(2023)37
Meeting date	29 November 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, 29 November 2023		

Present:

Euan McVicar Chair
Ann Allen
Dr Michael Foxley
Liz Leonard
Jean Lindsay
Robert Mackenzie
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 Head of Governance (minutes)

By invitation:

Annie Breadon Head of Policy (for Minute item 5.1)
Tom Findlay Energy Ports Development Manager (for Minute item 4.1)
Laurna Macaulay Learning and Development Manager (for Minute item 5.1)
Jamie Macfarlane Built Development Manager (Montrose) (for Minute item 5.1)
Anna Morgan Financial Controller (for Minute items 1-4 and 6.1 -7.1)
Amal Palin Communications Manager (for Minute item 5.1)
Cameron Reid Sustainability Officer (for Minute item 5)
Johnathan Shenton Senior IT Manager (for Minute item 5.1)
Jess Thorne Governance Assistant

1. Standing Items

1.1 Welcome and Apologies

The Chair welcomed everyone to the meeting and noted that apologies had been received in advance from Katerina Brown.

1.2 Declarations of Interest

Members were reminded that Ailsa Raeburn is a member of the Board of Highlands and Islands Enterprise (HIE) and that HIE were also involved in the potential development at Nigg. Ms Raeburn does not take part in the discussions on Nigg during HIE Board meetings.

Jean Lindsay stated that she would leave the meeting if there was to be substantive discussion on the Inverness and Cromarty Green Freeport to avoid any conflict of interest with her role as a board member of Revenue Scotland.

1.3 Approval of Minutes of Meetings held on 30 August 2023

The minutes of the meeting held on 30 August 2023 were **approved**.

1.4 Matters Arising and Action Tracker

Noted that:

- (a) the principles and assumptions relating to costs associated with the management of ScotWind option contracts were still being debated internally (action 33/1).
- (b) assurance was sought from and given by the Director of Finance & Business Services that the analysis on pay, recruitment and retention which had previously been requested would come forward to the February 2024 meeting (action 34/3).

The papers are exempt from publication in terms of s.30(b) and s.30(c) of the Freedom of Information (Scotland) Act 2002.

2. Board Committees

2.1 Remuneration Committee

Noted that:

- (a) following publication of the Scottish Government's Public Sector Pay Strategy in March 2023 a pay claim had been received from PCS. Core Scottish Government staff had agreed a two-year deal which was not within the Strategy. The deal had included an agreement to prepare a business case for the reduction of the working week to 35 hours.
- (b) the Executive have met with PCS to discuss the pay deal for Crown Estate Scotland. Although a backstop day of 11 January 2024 had been agreed for conclusion of the negotiations it was hoped that an agreement would be reached within the next two weeks.
- (c) the Committee had agreed amendments to its terms of reference and it had been expected that these would have been presented to Board today. The Head of Governance would be asked to circulate these with a request for approval out of meeting.

2.2 Audit & Risk Committee

Noted that:

- (a) the Committee had met in private with the external and internal auditors without officers present. The concerns about resourcing in the finance team and the single point of failure were the focus of those discussions. The external auditors had praised the quality of the work produced however the lack of capacity to respond to queries had caused significant impact to the completion of the audit.
- (b) there had been no finance paper available for the Committee, an indication of the continuing pressures within the finance team. A verbal update was provided by the Financial Controller with an assurance that a finance report would be presented to the current Board meeting.
- (c) during its meeting the Committee had received an update on the current status of the MeyGen project and had confirmed its support to a revised approach to risk management with the Board to be invited to a risk workshop in January 2024.
- (d) the Board asked if there was clarity in the organisation on H&S responsibility as the consultants conducting an organisational design review had indicated they believed it was absent. All executive directors have H&S responsibility in their role profiles with the Director of Property having a primary leadership role.

2.3 Investment Committee

Noted that:

- (a) as with the Audit & Risk Committee, no finance paper had been available and a verbal update on the capital position was given by the Financial Controller.
- (b) an update had been given on the situation with the [REDACTED] stabilisation works and further assurance provided by email following the meeting.
- (c) the draft interim investment strategy which would be discussed by the Board later in the meeting had been welcomed by the Committee, particularly the clarity on what would and wouldn't be funded by Crown Estate Scotland.
- (d) the Committee would welcome a strategic discussion on divestment at some suitable point in the future and encouraged the executive to consider a revenue grant policy.
- (e) the Senior Commercial Manager and the PMO Manager had joined the meeting to explain their role and provide detail on the development of future reporting. The

Committee had yet to receive any of the reporting which had been requested on the management of the whole portfolio.

Minutes redacted in terms of s.38(1)(b) of the Freedom of Information (Scotland) Act 2002.

3. Chief Executive's Report

3.1 Chief Executive's Report (paper BD(2023)37.2) [REDACTED]

Noted that:

- (a) the new format report covered the major themes which members were expecting to see however they would welcome the Chief Executive in future reports providing a commentary on how those were being managed.
- (b) engagement with the public reform agenda was ongoing although the position of Crown Estate Scotland was different from most other public bodies, being a self-financing public corporation with a commercial remit. Messaging on this continued to be made to Scottish Government to try to address misconceptions. The Parliamentary reception on 6 December would be an opportunity to speak directly to stakeholders and MSPs about the work of the organisation.
- (c) the Board continued to emphasise the importance of making information available to the Board and its Committees in a timely fashion to allow them to fulfil their role. This included financial reporting, information on portfolio management and the strategic workforce plan which had been requested on numerous occasions.

Agreed that:

- (a) the Director of Corporation Operations would review the corporate lines to take and would circulate to the Board the text of the Chair's speech to be given during the Parliamentary reception.

Action: EB (37/2)

The paper is exempt from publication in terms of s.30(b) and s.30(c) of the Freedom of Information (Scotland) Act 2002.

The Energy Ports Development Manager joined the meeting.

4. Decisions

4.1 Investment - Nigg (paper BD(2023)37.3) [REDACTED] Confidential – Closed Business

Noted that:

- (a) key matters which had been raised previously by the Board, such as subsidy control, had now been finalised with input from professional advisers and the Scottish Government's subsidy control team. Although the landowner had declined to negotiate further other parties were continuing to move forward in anticipation that a deal would be struck.

- (b) the risks relating to this proposed investment were set out in the paper presented to Board. The speculative nature and the structure of the investment was such that it was likely to be defined as novel and contentious in the context of the SPFM. Discussions with the sponsor team on the paperwork required to report on this were being progressed.
- (c) the Board debated the risks and the requirement for the executive to ensure that the organisation kept a thorough record of the transaction, the evidence underpinning decisions and the decisions taken.

The Energy Ports Development Manager was thanked for his contribution and he left the meeting.

This item has been treated as closed business and the paper is exempt from publication in terms of s.33(1)(b) of the Freedom of Information (Scotland) Act 2002.

4.2 Interim Investment Strategy (paper BD(2023)37.4) [REDACTED]

Noted that:

- (a) the interim investment strategy had been prepared to provide clarity and direct focus to identify and then execute investments in the period to March 2025. Deployment of capital appropriately during this period would strengthen the argument for an increase in the statutory transfer percentage. The draft presented to Board had been reviewed by the Investment Committee and their comments had been incorporated into it.
- (b) the Board welcomed the development of this interim strategy but asked when the draft asset management strategy would be available to sit alongside this strategy. With an increase in volatility in turnover income from the marine sector a steady generation of revenue from more traditional, commercial sources could be beneficial.
- (c) Anderson Strathern had been requested to read through the interim strategy to ensure that it fitted with the organisation's vires.

Agreed that:

- (a) subject to any comment which might be received from Anderson Strathern, the Board agreed that the interim investment strategy should be adopted for the remainder of the current corporate plan period.

Action: ROH (37/3)

The Financial Controller left the meeting.

The Head of Policy and the Sustainability Officer joined the meeting

The paper is exempt from publication in terms of s.33(1)(b) of the Freedom of Information (Scotland) Act 2002.

5. Discussion

5.1 Value Project (paper BD(2023)37.5)

Noted that:

- (a) the paper provided the Board with an update on the further development of the value reporting framework. A request was made for members to provide some specific input out of meeting. Liz Leonard, Ailsa Raeburn, and the Chair all agreed to provide the input sought.
- (b) the Board agreed with the decision to pilot a select group of metrics over the next financial year and to report on those in the annual report.
- (c) language testing would be carried out as part of the corporate planning process and this would be mirrored in the language used for the value reporting framework and supporting tools.
- (d) there were resource implications for the organisation and a need to develop new skills to use the framework. The Board advised that this should be considered as part of the Strategic Workforce Plan and not in isolation.
- (e) the work to be undertaken over the coming year would be used to help set the ambitions, outcomes and KPIs for the next corporate plan.

Agreed that:

- (a) the executive should consider what additional Board support might assist in the development of sustainability and wider value goals in the organisation, including creation of a short-term committee focused specifically on this aspect.

Action: ROH (37/4)

The Head of Policy was thanked for her contribution and she left the meeting. The Learning & Development Manager, the Built Development Manager (Montrose), the Communications Manager and the Senior IT Manager joined the meeting.

Annex A is exempt from publication in terms of s.36 of the Freedom of Information (Scotland) Act 2002.

5.2 Staff Survey – Culture (paper BD(2023)37.6) [REDACTED]

Noted that:

- (a) the Board received a presentation giving an overview of the staff-led response to the staff survey and culture development within Crown Estate Scotland, this included the creation of a Culture Forum to be the agents of change in culture.
- (b) a staff survey action plan had been created and would be tested with staff during December or early January via a pulse survey to see if the plan had been read, if the priorities were right and the actions appropriate.
- (c) training and development support for all staff was being rolled-out along with career conversations taking place as part of performance management.
- (d) [REDACTED]

Agreed that:

- (a) further updates from staff in relation to this would be welcomed at future meetings.

The Sustainability Officer, the Learning & Development Manager, the Built Development Manager (Montrose), the Communications Manager and the Senior IT Manager all left the meeting.

Secretary's note: the Chair advised that the Finance Report would be taken ahead of the Corporate Planning item on the agenda.

The Financial Controller joined the meeting.

The paper and minute extract (d) are exempt from publication in terms of s.30(b) and s.30(c) of the Freedom of Information (Scotland) Act 2002.

6. Management Reports

6.1 Finance Report (paper BD(2023)36.7) [REDACTED]

Noted that:

- (a) the paper had been issued late to the Board. The Board raised with the Chief Executive that capacity within the finance team was critical and the failure to ensure timely reporting to the Board and Committee was an issue which required to be resolved. As had been acknowledged at the Audit & Risk Committee the standard of work was high but there was a risk to the individuals involved as well as to the business in continuing to run the team so lean.
- (b) the report covered the period to 30 September and showed a negative variance in gross turnover, primarily due to the volatility in the rural and marine portfolios (offshore wind production, finfish production and mines royal income). This position had been brought to the attention of the Audit & Risk Committee who had been advised that the downward trend was now predicted to continue for the remainder of the financial year. The Committee were also advised that a £200k bad debt provision had been made in relation to the failure of the company behind the [REDACTED]

- (c) the paper also presented a summary of the outcome of the capital reforecast which had taken place in October. Budgeted receipts were down for different reasons, including a delay in expenditure on Nigg and receipts from the farm sales pilot.
- (d) there was a material reduction in anticipated capital expenditure across built environment, rural portfolio and E&I. Again some delays were being experienced in delivery and expenditure moved to the next financial year.
- (e) a final draft of the annual report and accounts was in circulation and was expected to be signed on 6 December before being laid in the Scottish Parliament on 18 December.

The paper and a section of the minutes are exempt from publication in terms of s.33(1)(b) of the Freedom of Information (Scotland) Act 2002.

7. Discussion (continued)

7.1 Corporate Planning (paper BD(2023)37.7)

Noted that:

- (a) a short update was given on the ongoing engagement with stakeholders and the phase 2 planning which was underway. There was a balance to be struck between encouraging the ambitions of staff and the need to get a clear picture of the basic must do's which required to be adequately resourced.
- (b) the Board encouraged the corporate planning team to engage with diverse stakeholders and not simply the usual groups. The Director of Corporate Operations was developing a consultation plan which would be diverse and reach groups of people the organisation had not previously engaged with.
- (c) corporate planning would be included in the Board strategy session arranged for January 2024 and the team were requested to ensure that any pre-reading was issued well in advance.

The Financial Controller was thanked for her contributions and she left the meeting.

8. Management Reports (continued)

8.1 Performance Report (paper BD(2023)37.9) [REDACTED]

Noted that:

- (a) this report was being presented in a new format and specifically highlighted business plan actions whose status was amber and at risk of not being completed in year.

- (b) the Aquaculture Manager was due to retire at the end of the financial year. A review of the role profiles and structure of the team was underway with the staff being supported through that process.
- (c) an update on the MeyGen investment had been given to the Audit & Risk Committee and the paper was available to all members.

The paper is exempt from publication in terms of s.30(b) and s.30(c) and s.33(1)(b) of the Freedom of Information (Scotland) Act 2002.

8.2 Business Plan (paper BD(2023)37.10)

Noted that:

- (a) the plan would be pared back to reflect the transition to the new corporate plan and to focus on preparing for the next corporate plan period, reflecting the Board's request for the organisation to step back and assess what could, and what should, be delivered.
- (b) the draft plan would be circulated for comment to the Board in due course with a request to delegate the final approval to the Chair and Chief Executive.

8.3 People Report (paper BD(2023)37.11)

Noted that:

- (a) the report highlighted the increased volume in core HR business, particularly around recruitment. An external search consultant had been engaged to support the recruitment of the two new Director roles.
- (b) the Board again asked for a Strategic Workforce Plan to be prepared and queried how recruitment, change management and the corporate planning could be undertaken without it.
- (c) the Remuneration Committee had been asked to approve a new grade between the executive directors and the Chief Executive but had declined to do so as it was outwith its terms of reference. Committee members asked when this was going to move forward and were advised that it would now potentially form part of the organisational design work being undertaken by external consultants.
- (d) the Board requested clarification on whether the stress-related absences were work-related and the Director of Finance & Business Services advised he would confirm the position to the Board after the meeting.

Action: AM (37/5)

8.4 Capital Release from Farms Pilot – update (paper BD(2023)37.12) [REDACTED]

Noted that:

- (a) the Board were invited to note this paper and the progress which had been made in relation to this pilot project. The financial position had been reported earlier in the meeting.
- (b) although this was a pilot project in two discrete areas some tenants at the Farm Tenants Forum were already asking when they would be given the opportunity to purchase their farms. The completion report at the end of the pilot period would require to consider carefully the impacts of the pilot and what potential next steps for the remainder of the Estate might be.

The paper is exempt from publication in terms of s.33(1)(b) of the Freedom of Information (Scotland) Act 2002.

8.5 Stakeholder Engagement (paper BD(2023)37.13)

The Board **noted** the paper.

9. Any other business

Noted that:

- (a) requests were being made by tenant farmers in relation to carbon credits. The Policy Team are engaging actively on this but are in the early stages. The Board requested that a position in relation to this be agreed as soon as possible.
Action: OM (37/6)
- (b) the Director of Marine and the Head of Governance were leaving the organisation on 7 February 2024. Both were thanked for their service to Crown Estate Scotland and the Board expressed their best wishes for the future.

10. Date of Next meeting

28 February 2024

Annex A

CROWN ESTATE SCOTLAND INVESTMENT STRATEGY 2023-2025

DRAFT V6



1.0 Summary

Crown Estate Scotland ('CES') was established in 2017 to manage the Scottish Crown Estate, on behalf of Scottish Ministers, in accordance with the obligations set out in the Scottish Crown Estate Act 2019 (the 'Act') and the Strategic Management Plan ('SMP') for the Scottish Crown Estate published by Scottish Ministers.

In developing an approach to capital investment, particular consideration has been given to the following obligations in the Act:

- (1) The manager of one or more Scottish Crown Estate assets must maintain and seek to enhance—
 - (a) the value of the assets, and
 - (b) the income arising from them.
- (2) In complying with the duty under subsection (1), the manager must—
 - (a) act in the way best calculated to further the achievement of sustainable development in Scotland, and
 - (b) seek to manage the assets in a way that is likely to contribute to the promotion or the improvement in Scotland of—
 - (i) economic development,
 - (ii) regeneration,
 - (iii) social wellbeing,
 - (iv) environmental wellbeing.

This document should be read by Crown Estate Scotland Staff, Board, Managing Agents, and Scottish Government colleagues.

2.0 How we create value

Crown Estate Scotland has defined its purpose as “investing in buildings, natural resources and people (places) to create lasting value for the people of Scotland”.

As a Self-Financing Public Corporation (‘SPFC’), Crown Estate Scotland will seek to make capital investments with a commercial bias to enhance the value of the ‘portfolio’ and the income arising from it. However, Crown Estate Scotland will also undertake investment in the way best calculated to further the achievement of sustainable development in Scotland.

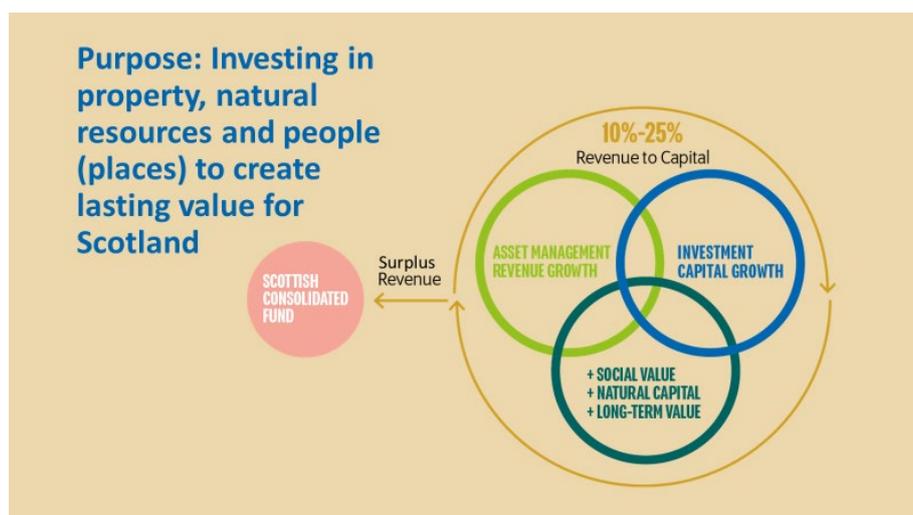
The Act enables Crown Estate Scotland to undertake transactions for consideration of less than market value (including for no consideration) if satisfied that the transaction is likely to contribute to the promotion or the improvement of (a) economic development, (b) regeneration, (c) social wellbeing, and/or (d) environmental wellbeing.

Through our work to develop a non-financial value framework (the ‘Value Project’) we will evidence when preparing our green book business cases where transactions promote or improve sustainable development, justifying a less than market value transaction.

In deciding whether to make a relevant transaction for consideration of less than market value, the Crown Estate Scotland must have regard to the likely effect of the transaction on the value of the Scottish Crown Estate as a whole. Through our work to develop a 10+ year portfolio model we seek to evidence the effect of individual transactions on the value and viability of the portfolio as a whole.

Less than market value transactions can be supported when the controllable¹ (tradable) element of the portfolio has benefitted from material and redeemable growth – reflecting the concept that we must in the first instance create value to then share that value more widely. This is consistent with the principle of operating the portfolio on a sustainable basis so that the people of Scotland benefit both now and in the future.

In combination this delivers a unique model for *sustainable investment*.



¹ The controllable (tradable) portion of the portfolio represents the elements of the portfolio which can be actively traded and invested in to support value growth and value capture. In simple terms it primarily comprises ‘dry assets’ as there is a presumption not to sell seabed. The controllable (or tradeable) portion of the estate is essentially the land and property assets, other than the seabed, which can be developed, invested in and traded, and it is this activity that provides the most immediate and accessible opportunity for financial and non-financial value creation.

3.0 Scope and purpose of this strategy

This strategy focuses on the initial stages of the asset lifecycle, and in particular activity that typically involves investing capital to acquire new asset holdings or investment through development to enhance the value of the portfolio:

- **financial value** - capital growth and/or revenue returns,
- **non-financial value** - sustainable development (a) economic development, (b) regeneration, (c) social wellbeing, and/or (d) environmental wellbeing.

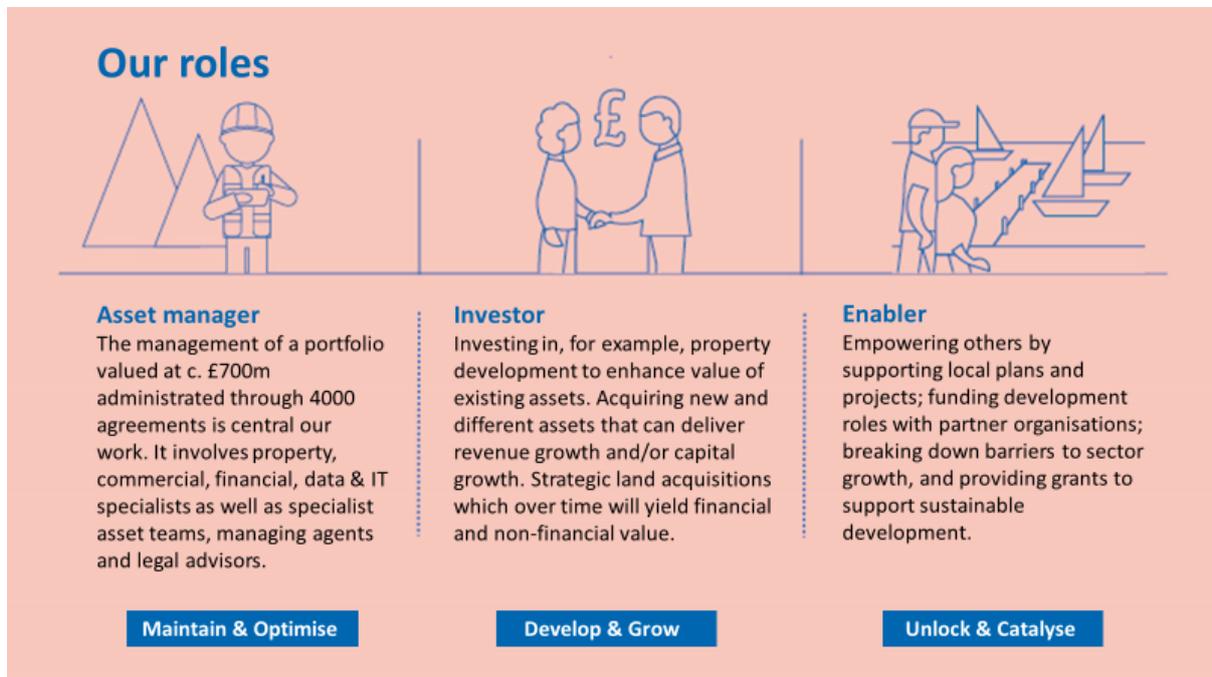


Expenditure on maintaining the existing assets under management, or upgrading to ensure compliance with statutory obligations, is out of scope for this strategy and is dealt with in the asset management strategy [yet to be developed] - which covers in more detail the operational phase of the asset lifecycle.

In accordance with the Act, Crown Estate Scotland routinely deploys revenue and capital to protect the value of the assets under management and to ensure they remain compliant and fit for purpose. This expenditure is dealt with separately under the CES Asset Management Strategy.

4.0 Core Principles of the Crown Estate Scotland Investment Strategy (2023-2025):

Crown Estate Scotland’s primary role is that of an asset manager, covering all aspects of the asset lifecycle including asset maintenance, development, investment and divestment.



As indicated in the previous section, this strategy talks exclusively to capital investment associated with either (1) the acquisition of (or investment in) new assets, and (2) investment in the existing portfolio to enhance the value of the portfolio. This strategy is complimentary to the Crown Estate Scotland Asset Management Strategy [yet to be developed] which provides strategic guidance regarding the management and optimisation of the Scottish Crown Estate across all stages of the asset lifecycle, from acquisition and development through to decommissioning and divestment.

This strategy assumes that Crown Estate Scotland will adopt **active asset management** practices, and in doing so routinely divest low performing assets so that the capital can be redeployed and recycled to advance the obligations set out in the Act and the Strategic Management Plan (SMP).

Capital deployed to ensure the base capital value of the Estate is not diminished is treated as ‘inescapable expenditure’ rather than investment, reflecting the obligations in the Act.

This sets the Scottish Crown Estate apart from other asset portfolios under public sector management. Typically, asset portfolios under public sector management are leveraged and as such are maintained to minimum statutory standards and can be found wanting in terms of disrepair², such an approach is inconsistent with the Act and inappropriate for a portfolio which in title remains vested in the Crown. Such an approach also diminishes the scope for creating and realising wider non-financial benefit, which is also out of step with the Act. Crown Estate Scotland recognises that some assets, although low performing in traditional financial terms, will have historic, cultural, social and environmental value which mean Crown Estate Scotland will also act as a **steward** so that these non-financial benefits (local and national) can be enjoyed by future generations.

² [The Balance Sheet Review report .pdf \(publishing.service.gov.uk\)](#)

As a SFPC, Crown Estate Scotland will in the main seek to **invest for commercial benefit** to enhance the financial value of the assets under management, optimising the income arising from the base capital value of the assets, and ultimately the long-term benefit delivered to the people of Scotland. Simultaneously, where reasonable and practicable, investment activity will **support the achievement of sustainable development** in Scotland.

All capital managed by Crown Estate Scotland legally forms part of the 'estate', and therefore remains vested in the Crown. For this reason, it is difficult for Crown Estate Scotland to optimise private sector investment and public sector capital through partnering and co-investment models. That said it is not however impossible to do so, but such arrangements will inherently carry unique complexities and risk.

There will be times where due to the quasi-commercial nature of Crown Estate Scotland we will enter into arms-length arrangements on market terms which would not routinely be entered by a traditional public body, as traditional public bodies do not invest on a commercial basis, however this again reflects the unique nature of Crown Estate Scotland as a SFPC.

Crown Estate Scotland will in due course develop its Impact Assessment and Performance Framework to capture the impact of investments upon delivering its corporate purpose.

Crown Estate Scotland will invest on commercial terms with appropriate covenants and protections for its capital in line with market precedent and the risk profile of each individual investment it makes.

Crown Estate Scotland will be a patient investor, investing patient (long-term) capital in land and property interests across Scotland (all capital investment is restricted to property³). There may however be occasions where Crown Estate Scotland can through a short-term investment unlock wider social and economic benefit for the people of Scotland. In all scenarios the investment must be in assets which form part of the Scottish Crown Estate.

Crown Estate Scotland will be an ethical investor, adhering to ethical standards⁴.

Crown Estate Scotland will actively reinvest any surplus capital it generates back into the Estate to support the upkeep of the existing portfolio and to create lasting value for the people of Scotland through further investment, acquisition, and development activities.

³ The term 'property' is used to define the land, everything constructed on it, and everything constructed beneath it and above it.

⁴ [Ethical standards for providers of public services \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

5.0 What Crown Estate Scotland will NOT do:

Crown Estate Scotland will not provide capital grant, this is the preserve of the enterprise agencies and central Scottish Government. If Crown Estate Scotland was to grant capital, the capital granted would remain part of the Scottish Crown Estate, and it would need to be granted on a commercial basis. This is illogical because grant should only be deployed in response to market failure which does not support commercial returns. So, it is not appropriate for Crown Estate Scotland to grant capital. There is however provision in the Act for Crown Estate Scotland to deploy revenue on a non-commercial basis.

Crown Estate Scotland will not provide sub-commercial capital investment unless the net gain in terms of financial and non-financial benefit is demonstrated to be broadly consistent with comparable commercial terms. Sub-commercial capital investment (and capital grant funding) is as stated above the preserve of the enterprise agencies and central Scottish Government.

Crown Estate Scotland does not provide short-term working capital, bridging finance or revolving capital facilities to businesses or projects.

It will not invest in assets which do not form part of the Scottish Crown Estate.

Crown Estate Scotland will not provide retail banking, short term finance, bridge financing, working capital or deposits to individuals or micro businesses.

Crown Estate Scotland will not provide government guarantees or 'first loss' investments.

It will not invest in distressed businesses in crisis, or in need of emergency or short-term financial support. The enterprise agencies and central government will provide such support to Scottish businesses and projects where appropriate.

6.0 Crown Estate Scotland Criteria for Investment

Crown Estate Scotland will identify, develop and assess investment opportunities in the following way:

- Originate investment opportunities proactively through the organisation's managing agents, professional advisers, networks and wider connections with the private sector and public sector.
- Consideration will be given to how prospective investments fit with the wider portfolio from an operational and strategic perspective.
- Assess and appraise investment opportunities identified against the approved Investment criteria and other competing opportunities, including a robust investment appraisal process based on the Green Book Business Case process.
- Make investments with appropriate terms and conditions and expected returns in line with the risk profile of each individual investment and the overarching corporate risk profile.
- Manage its individual investments and asset portfolio to both protect the invested capital, and to maximise (in a balanced manner) capital growth, revenue returns and non-financial benefits (local and national). Such an approach will not favour any one form of return disproportionately and seek to ensure the portfolio's risk profile is actively managed.

Direct Investment: Crown Estate Scotland will only invest in property assets. It is expected that every investment made will be unique and structured to reflect the obligations under the Act, and where practical to do so the requirements of the Scottish Public Finance Manual (SPFM). Wherever appropriate Crown Estate Scotland will seek to invest alongside other public and private sector funders and investors to optimise impact.

Indirect Investment: Crown Estate Scotland is not permitted to invest in private sector funds even if they align with its purpose.

Patient Investor: Crown Estate Scotland will be a patient investor. It will primarily invest for the medium to long term, and through the assets under management, seek where possible to support the sustainable growth of businesses, communities and projects that build and deliver long-term value (financial and non-financial) for the People of Scotland, through the growth and development of the Scottish Crown Estate.

Regulations: The Estate is held under a unique arrangement which is not dissimilar to that of a trust, with the assets being turned to account to benefit the people of Scotland. As such it is not regulated in the traditional sense by the likes of the FCA. As a manager of assets Crown Estate Scotland is a Scottish Public Body and is therefore subject to the requirements of Scottish Government. Crown Estate Scotland will work to comply with all relevant financial services regulatory requirements, applicable laws, and industry good practice standards where appropriate.

Financial Self-Sufficiency: Crown Estate Scotland will invest its capital primarily on commercial terms. The income generated will support the upkeep of the Estate and advancement of our corporate purpose with all net revenue⁵ being returned to the Scottish Consolidated Fund (SCF). Crown Estate

⁵ Net revenue is the revenue left after the upkeep of the estate has been addressed.

Scotland will aim to receive a commercial return. It is recognised that there will be occasions when less than commercial terms will be appropriate because an investment can advance wider value objectives including but not limited to (i) economic development, (ii) regeneration, (iii) social wellbeing, (iv) environmental wellbeing. ⁶.

The tradable (controllable) element of the portfolio will not be loss making. The amount of capital available each year to support less than commercial terms transactions will be limited to 10% of the value uplift in the controllable (tradable) assets⁶ in the preceding year, and not more than 5% of the capital held in the bank in the year an investment is being made. Where existing assets are loss making, they will be actively reviewed to consider how losses can be eliminated. Where for non-financial reasons it is appropriate to retain loss-making assets, efforts will be made to minimise losses as we perform the role of steward and active asset manager.

Creating lasting value for the People of Scotland: As the Scottish Crown Estate grows and its investments mature, Crown Estate Scotland will adopt an active approach to Asset Management crystallising capital gains through divestment and redeploying the capital through investments in new assets along with investment in the existing portfolio to (1) grow capital value, (2) grow revenue returns, and (3) deliver non-financial benefits (local and national).

Target Rate of Return: Crown Estate Scotland will seek to deliver a positive return on its investment over the longer term. The target rate of return for all investments over the estimated period of ownership, will be set at, on average, a blended revenue return and capital growth return of at least 6%. This will allow for an element of less than commercial terms (or less than market value) activity. Investment returns will be modelled through the 10+ year portfolio model with underlying assumptions tested and validated regularly. Over the course of the next Corporate Plan (2025-2030) targets will be established for returns and yields against each asset class where Crown Estate Scotland can influence asset performance.

Portfolio based approach: It is recognised that different assets carry different risk profiles and associated liabilities. For this reason, Crown Estate Scotland will seek to maintain a diversified portfolio, to help ensure risk is actively managed through a range of economic scenarios and circumstances. In practice this will involve appraising a diverse range of opportunities in coastal, rural, urban and industrial contexts.

Attractive Assets: include but not limited to green energy generating assets, energy storage assets, accommodation (housing all tenures), commercial (office, retail and other asset classes), carbon capture assets, agricultural, research/medical, community assets with strong covenants, public sector tenanted assets with strong covenants, land with significant regeneration or development opportunities, land with natural capital potential and wider infrastructure.

Unattractive Assets: include but not limited to pubs, restaurants, amenity, recreation, hotels, educational assets, traditional HMO flats, MOD, swimming pools⁷.

⁶ The controllable (tradable) portion of the portfolio represents the elements of the portfolio which can be actively traded and invested in to support value growth and value capture. In simple terms it primarily comprises of is the 'dry assets' as there is a presumption not to sell seabed. The controllable (or tradeable) portion of the estate is the essentially the land and property assets other than the seabed which can be developed, invested in and traded, and it is this activity that provides the most immediate and accessible opportunity for value creation.

⁷ Unless acting as an intermediary asset owner through the Community Land Acquisition Accelerator.

Additional specific considerations:

- We are open to small portfolios of assets as well as individual assets.
- We are open to all locations across Scotland.
- Valued up to £10m.
- Forestry and agricultural assets should however be in close proximity to existing Crown Estate Scotland agricultural holdings (within 60 mins drive from Glenlivet, Applegirth, Whitehill etc).
- Acquisitions will not generally require significant capital improvements or decarbonisation in the foreseeable future (i.e., next 5-10 yrs.).
- If an investment option is a built asset, it should be constructed post 2000 (asbestos and RAAC free and from other deleterious materials traditionally identified through technical due diligence)
- Assets can be vacant or tenanted but there is a strong preference for tenanted with good covenants.
- In the absence of a long-term (multi-year) fiscal settlement from government priority will be given to transactions that can be completed within a single financial year, this is also consistent with the fact that the strategy only covers the period up to April 2025.
- Only freehold interests will be considered.

7.0 Investment Approach

Crown Estate Scotland will seek to invest widely and diversely, and each investment it makes will likely be bespoke. Wherever possible Crown Estate Scotland will seek to invest in opportunities that deliver positive impacts supporting the delivery of our purpose, strengthen the existing portfolio and deliver long-term (multi-generational) value.

Crown Estate Scotland will be able to invest up to £10m⁸ in an individual asset or group of assets subject to the agreed investment approval process which involves CES Accountable Officer, CES Board, Scottish Government Officials and Ministers (See Page 14 Investment Appraisal Process).

Crown Estate Scotland will seek to invest in commercially viable projects that are consistent with the Act, the SMP and our purpose. It is expected that we will typically invest in asset-based opportunities requiring investment in excess of £0.5m and up to £10m.

Where possible and appropriate Crown Estate Scotland will invest in assets that support the ambitions of local communities and the third sector to create local sustainable economies through investing in commercially viable asset-based opportunities.

As a multi-generational impact investor, Crown Estate Scotland will view the majority of its investments being for the longer-term 10+ years. That said Crown Estate Scotland will not be closed to shorter-term investment.

Crown Estate Scotland will seek to actively manage its investments in assets to ensure it effectively stewards the capital it is investing.

Our [Chief Financial Officer] will be responsible for the ongoing monitoring of the valuations of our investments and the revenues generated. The performance of the Estate will be closely monitored and regularly revalued on an individual investment basis and portfolio basis, with scrutiny from the Investment Committee and the Board.

Crown Estate Scotland will undertake full due diligence on all its investments in line with market norms. This will typically cover Legal, Technical, Financial, Commercial, Insurance and Taxation. Crown Estate Scotland will apply its own stringent investment assessment standards to all investment opportunities it considers and will make its investment decisions independently of the Scottish Government.

All investment decisions will be subject to the Green Book business case approval process. When appropriate under our scheme of delegated authority, business cases will go to Scottish Government to reject or accept, allowing for Scottish Ministers to exercise their prerogative in the management of the Estate.

⁸ Comparators such as SNIB, which has £1bn to invest, is limited to £50m per investment to spread risk. Therefore, CES which at the time of writing the strategy has £50m to invest, is taking an aggressive approach to investment, however, this is against the backdrop of a stable portfolio, which helps dilute risk at a portfolio level. For this reason, a maximum of £10m per transaction is deemed acceptable for the life of this strategy.

8.0 Investment Origination

Crown Estate Scotland will actively develop a pipeline of potential investment opportunities. It will identify and develop acquisition and capital investment opportunities by building its relationships with both the private and public sector and recruiting experienced investment professionals.

Crown Estate Scotland [investment team] will have the primary responsibility and overall control of investment activity on a day-to-day basis, working collaboratively with other colleagues, to form and maintain an investment pipeline.

In its recruitment Crown Estate Scotland seeks to ensure that its people are aligned with the organisations purpose and committed to making a positive contribution to Scotland’s economy, society and environment.

Crown Estate Scotland aspires to create a diverse and inclusive team of people to deliver its purpose with conviction, drive and pace. The following quadrants reflect some of the opportunities Crown Estate Scotland expects to invest in, but these are not exclusive:



9.0 Investment Confidentiality and Disclosure of Investment Activity

The investment pipeline and investment opportunities under consideration by Crown Estate Scotland will be subject to a high level of confidentiality. Once an investment has been made, a package of disclosable information will be agreed with counterparties to the investment for release to the public and details of the investment made included on Crown Estate Scotland's website.

All CES staff and Board members involved in an investment decision will be required to sign conflict of interest disclosures at the start of the investment appraisal process and just prior to any transaction being executed.

10.0 Investment Approval Process

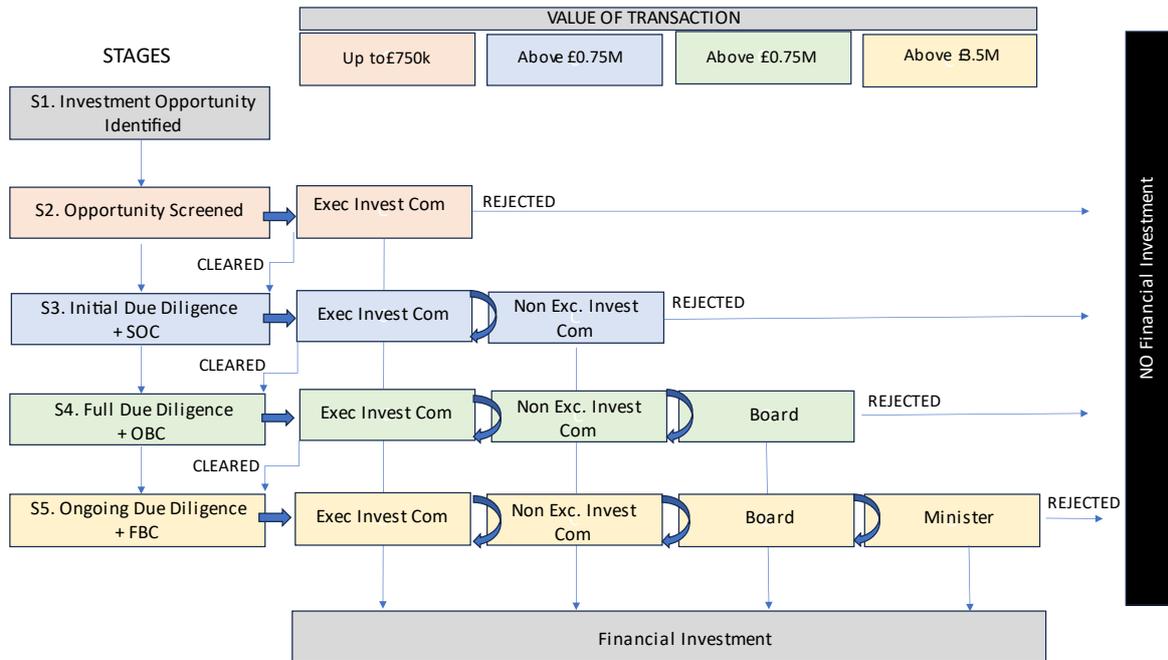
All individual investments Crown Estate Scotland makes will be considered over a multi-stage process.

Investments above £3.5m (and irrespective of value those that are novel, contentious, or repercussive) will pass through a fifth stage approval involving Scottish Government Officials and the Minister.

A transaction arising from the investment approval process below can only be sanctioned by the Accountable Officer. Crown Estate Scotland’s investment approval process is illustrated below.

The time an investment takes to consider in the illustrated process is heavily dependent on the flow of information to the [investment team] to support the appraisal and documentation of the opportunity and the creation of the green book business case.

Where a complete set of due diligence information is available, Crown Estate Scotland can deliver its investment more quickly. Less developed investment opportunities will of course develop over a longer time period.



11.0 Growing the value derived from the assets under management through investment.

As a public body that is still in the early stages of growth, we will evolve and develop the Estate through investment, over time, so that it remains viable and relevant to the people of Scotland as well as sustainable and profitable.

We will seek to develop a balanced and diverse portfolio of assets through our investment activities that deliver steady financial returns and capital growth combined with delivering lasting value for the people of Scotland.

Investment Management

Crown Estate Scotland's [investment team] along with the finance team and asset management teams manage the investments once acquired or developed.

Investment Portfolio Management & Reporting

Crown Estate Scotland actively manages the financial and non-financial performance of the assets under management and in doing so consciously and proactively reviews the performance of new and historic investments. Portfolio Performance Monitoring and Reporting falls within the remit of the [investment team / and finance team].

Crown Estate Scotland is required to report on the financial performance of the business and the assets under management annually and will do this by way of its annual statutory accounts.

Portfolio Concentration

Crown Estate Scotland will seek to actively manage its investment portfolio concentration risk in terms of geography and asset class. Crown Estate Scotland can only invest in property assets located in Scotland. Crown Estate Scotland expects to monitor and report internally on the geographic dispersion of its investment activity across Scotland as a whole. It is our aspiration to invest across the whole of Scotland as far as possible, and to give consideration to demographics and Scottish Index of Multiple Deprivation (SIMD) zones.

12.0 Reporting requirements:

Crown Estate Scotland will report regularly via the following:

Audited Accounts

As a SFPC, Crown Estate Scotland is required to make available unaudited accounts available to Scottish Government by 30 June each year and audited financial accounts annually, within 6 months of its financial year end. Crown Estate Scotland's year end is 31 March.

Annual Investment Performance Report

In addition to its statutory financial reporting requirements Crown Estate Scotland will report internally to Board annually on the performance of the portfolio and the investments made, both financial and non-financial along with several other performance metrics.

13.0 Risk

Crown Estate Scotland is subject to many risks and has developed a Risk Management Framework and aims to employ appropriately skilled individuals to manage its risks. Crown Estate Scotland has identified seven high level risks.

Risk	Definition
People:	We take a cautious approach to change and invest in staff development, equality, safety and wellbeing. We play our role in supporting agents, customers and contractors as valued partners. We will develop an approach to staff reward and conditions appropriate to our public body status and our business activity.
Society:	Delivering value to society is a key driver for the organization and is reflected in the 2019 Act. This involves the need to balance local and national value and impacts. It is also important that we retain a strong social license to operate, particularly amongst the communities we serve. We are eager to be innovative and to choose options offering potentially bigger rewards. We recognise that economic activity may not always be welcome by all, and work collaboratively to maximise net benefits by taking a balanced approach to economic, social, environmental and regenerative gain.
Finance (Capital & Revenue):	Crown Estate Scotland is a self-financing public corporation and works to apply exemplary standards of strategic and operational financial governance and management. We are closely scrutinised in relation to financial probity, financial sustainability and meeting our statutory financial obligations. Take a careful approach ensuring probity, transparency and good financial management, ensuring we can give account for how we use money, achieve Best Value and meet our financial duties. Under the Act we are required to grow the base capital value of the portfolio and seek to enhance the revenues arising from the portfolio. This category is broken down into Capital and Revenue. In law Capital represents the estate and the appetite in relation to diminishing or negatively impacting the value of the estate manifests differently from diminishing revenue, which is replenishable because of our unique revenue generating capability.
Investment	Crown Estate Scotland is mandated to increase the social, environmental, economic and regenerative value of the Crown Estate in Scotland. Our business mandate and capability provide unique opportunities to support emergent sectors and ventures with positive community benefits and other partners to secure social and financial value. We are open to investments that balance the financial returns with wider benefit delivery. We are open to progressive approaches and taking some investment risk. Equally we are open to investments that deliver good capital and/or revenue returns so that we can reinvest proceeds to deliver environmental, economic benefits as well as wider regeneration. We work with emerging sectors, the private sector, government and local partners for long-term returns and capital asset growth.
Legal	Crown Estate Scotland as a self-financing public body works hard to apply exemplary legal standards, commercial practices and probity in relation to all commercial, governance, legal and operational matters. Crown Estate Scotland is not exempt from the legal obligations that apply to an employer,

	<p>public body and/or property manager and investor. In addition, Crown Estate has a number of unique and express legal obligations set out in legislation including The Crown Estate Scotland (Interim Management) Order 2017 and the Scottish Crown Estate Act (2019).</p>
Assets Under Management	<p>Ownership of the Scottish Crown Estate lies with the Crown and management responsibility sits with Scottish Ministers who in turn delegate management to Crown Estate Scotland on their behalf. The Accountable Officer is accountable to Parliament for the management of the Estate with the Ministers retaining overall responsibility. Crown Estate Scotland has a statutory duty, on behalf of the Ministers, to maintain and seek to enhance (a) the value of the assets, and (b) the income arising from them. Net revenues from the Crown Estate in Scotland are transferred to the Scottish Government after all the costs of maintaining the estate have been met.</p>
Environment	<p>Crown Estate Scotland has a goal to ‘enhance and develop natural resources through sustainable investment and management’. Equally under the Act (2019) Crown Estate Scotland has an obligation to further the achievement of sustainable development in Scotland. We aim to contribute to environmental quality and sustainability through our direct activities and the way in which we manage the estate, and to reflect these considerations in agreements with leaseholders. We undertake environmental assessment as a tool in decision-making and are cautious about environmental trade-offs in our decision making, whilst recognising that choices are sometimes required between environmental factors (such as renewable energy generation and local environmental impacts) and with other socioeconomic considerations.</p>
Reputation	<p>As a Scottish Public Body, our reputation affects our effectiveness, and impacts on both the government and Ministers. As a business, reputation affects our ability to attract talent, manage stakeholder risk, inform policy, and build successful commercial partnerships. Reputation typically comprises performance plus corporate behavior plus communication – if any of these three aspects are weak, reputation is impacted. With careful handling and communications, we aim to build our reputation for our expertise and business focus, and for innovation and practical action. Given the nature of the assets under management, Crown Estate Scotland is associated with both Ministers and the Monarch, and a failing on the part of Crown Estate Scotland and/or the Ministers, on behalf of whom we manage the estate, could reflect badly.</p>

14.0 Investment Risk Assessment & Reporting

All investments carry the risk of financial loss when and if an investment does not perform as envisaged. As an investor in property assets Crown Estate Scotland seeks to proactively understand and manage the risks associated with all its investments.

As part of our approach to managing risk, we place an emphasis on quality, be it the quality of an investment opportunity or the quality of the assets under management. By embedding quality in everything that we do, we reduce risk and preserve and enhance long-term value.

Crown Estate Scotland also understands that there may be occasions when the risk of losses is material. Similarly, it is understood that the portfolio may be subject to the cyclical nature of the property market and may therefore experience fluctuations in capital value. Good market intelligence combined with rigorous business case development, technical and commercial due diligence and clear investment criteria, all play a role in supporting risk management and reporting.

Crown Estate Scotland will quantify, monitor and manage investment risk so that it obtains adequate compensation for risks taken. There will be some risk of financial volatility inherent in property investments and revenue returns which are linked to productivity, but ultimately Crown Estate Scotland is deeply committed to achieving and maintaining financial self-sustainability in the short, medium and long term, and this requirement will take priority over all other investment considerations.

Potential losses arising from poor investments may be substantial and the Crown Estate Scotland personnel involved in the investment process must therefore exercise due diligence and sound professional judgement in the initial evaluation and assessment of counterparty and other risks as well as in the ongoing management of the portfolio as a whole.

Appetite Statements

Crown Estate Scotland recognises it is potentially exposed to significant financial risks through its normal course of business and by pursuing its purpose. It will control its overall exposures by reference to a formally documented Risk Appetite. Further detail on Crown Estate Scotland approach to risk management can be found in the Corporate Risk Policy and Risk Registers.

Lines of Defence

The effective execution of risk management in the context of capital investment is enabled through a number of 'Lines of Defence' as follows:

- Defence 1:** Periodic review of risk management policy and risk appetite with Senior Management and Board.
- Defence 2:** Adopting a diversified approach to investment and a portfolio-based approach
- Defence 3:** A written proposal is developed by Crown Estate Scotland [investment team] to provide sufficient detail and analysis to allow for a decision to be made on developing a business case. No investment business cases will be developed without the Executive Investment Committee first reviewing and agreeing to the development of a business case.
- Defence 4:** All projects will have a dedicated project risk register owned by the Senior Responsible Officer (SRO) or Sponsoring Director.

Defence 5: Strategic Outline Case (SOC), Outline Business Case (OBS) and Full Business Case (FBC) will be prepared and reviewed for all investments.

Portfolio Risk Management

The primary purpose of monitoring investments is to maintain the quality of the capital investments made and to safeguard the assets of the Scottish Crown Estate with a view to avoiding potential losses. The performance of the portfolio will be scrutinised by the Non-Executive Investment Committee and Board to consider any underperforming assets and regular reports on the performance of the Scottish Crown Estate will be provided to the Non-Executive Investment Committee and Board.

Glossary

Term / Phrase	Definition
'Act'	Scottish Crown Estate Act 2019. Source: Scottish Crown Estate Act 2019 (legislation.gov.uk)
Active Asset Management	The term active asset management means that a professional portfolio manager is tracking the performance of an asset portfolio and making buy, hold, enhance and sell decisions about the assets on a rolling and ongoing basis.
'Controllable' assets	The controllable (tradable) portion of the portfolio represents the elements of the portfolio which can be actively traded and invested in to support value growth and value capture. In simple terms it primarily comprises of is the 'dry assets' as there is a presumption not to sell seabed. The controllable (or tradeable) portion of the estate is the essentially the land and property assets other than the seabed which can be developed, invested in and traded, and it is this activity that provides the most immediate and accessible opportunity for financial and non-financial value creation.
Crown Estate Scotland ('CES')	Crown Estate Scotland (Scottish Gaelic: Oighreachd a' Chrùin Alba) is the self-financing public corporation of the Scottish Government responsible for the management of land and property in Scotland owned by the Monarch 'in right of the Crown'. It was separated from the Crown Estate of the United Kingdom under the Scotland Act 2016.
Inescapable Expenditure	The total amount that a Public Body spends is known as Total Managed Expenditure (TME). An element of this expenditure will be allocated routinely to activity that is required by law and can therefore be considered as 'inescapable' or 'unavoidable' in nature. In the case of Crown Estate Scotland this refers expenditure required under the Act plus other statutory instruments relating to matters such as H&S, CDM, Fire Regulations, employment law etc.
Net Revenues	This is the revenue left after the upkeep and maintenance of the estate has been addressed.
Portfolio	All the land and property interests that go to makeup the Scottish Crown Estate.
Strategic Management Plan ('SMP')	The Act (2019) requires Scottish Ministers to prepare a plan for the management of the Scottish Crown Estate. The plan must set out the Scottish Ministers: (a) objectives, priorities and policies in relation to the management of the Estate (including the acquisition of new assets), and

	<p>(b) assessment of how those objectives, priorities and policies align with the Scottish Ministers' other objectives, priorities and policies.</p> <p>A manager of one or more Scottish Crown Estate assets must have regard to the Plan when preparing a Corporate or Management Plan[6] and when undertaking management functions.</p>
Self-Financing Public Corporation ('SPFC')	<p>To be classified as a SFPC, the public corporation must normally trade mainly with non-government customers and not perform regulatory functions. In other words, its income must be from selling goods and services into a competitive market rather than from regulatory fees.</p> <p>Source: Public Expenditure Statistical Analysis (PESA) 2011 complete document including Annexes.pdf (publishing.service.gov.uk)</p>
Steward	<p>Stewardship of property is about taking responsibility for managing well what is entrusted to you. It means more than just collecting rents and maintaining the status quo of your property. Stewardship demands growth, development, and a maximum return from your investment.</p>
Value Project	<p>The Value Project is aimed at helping CES understand:</p> <ol style="list-style-type: none"> 1. how we were creating value through the assets and our activities 2. how the different types of value could be quantified. 3. where there was potential to generate more value than we currently do <p>Source: https://www.crownstatescotland.com/our-projects/value-project</p>

Board Paper

Date of Meeting:	29 November 2023
Classification:	Unrestricted
Subject:	Value Project
Paper Number:	BD(2023)37.5
Annexes:	Annex A: Draft Value Reporting Framework
Recommendation:	The Board is invited to note the contents of this paper and indicate specific members who wish to feed into FY24-25 activity as set out in Section 3.
Presenter:	[REDACTED]
Author:	[REDACTED]

**Our purpose: Investing in property, natural resources and people
to generate lasting value for Scotland**

1. Purpose and context

An outline of the Value Reporting Framework (VRF) was presented to Board in August 2023, with a further update requested at the next meeting.

2. Background

Value Project

The Value Project commenced in 2018 with the appointment of a dedicated project manager, leading to the development of the asset profiles and the incorporation of wider value metrics in the full business case template for investment decisions.

The initial overarching objective of the Value Project was to identify current and potential non-financial value generated by the Estate and categorized according to the Scottish Crown Estate Act 2019 requirements (economic development, regeneration, social wellbeing, environmental wellbeing) plus climate change.

Specific objectives included:

- To develop agreed methodologies for evaluating, reporting, and presenting the public benefit values of the Scottish Crown Estate and the contribution of Crown Estate Scotland.

- To identify and quantify public benefits in a way comparable with approaches taken by other relevant public bodies.
- To use public benefit evaluation tools to inform decisions on future strategy and to build this into Crown Estate Scotland business planning and investment strategy.

Asset Profiles

The asset profiles were published in May 2021 then updated in November 2022. CES Board inputted to this work through papers and presentations to Board in 2020 and 2021. External stakeholders and specialists also contributed through direct engagement and a series of workshops.

The asset profiles provide an illustration of the wider value potential per asset class. Some examples are replicated below.

The diagrams were developed by the Value Project project manager in conjunction with the Chief Executive, and with input from asset managers across the business. They were informed by expert judgment rather than using an empirical approach and were intended to provide a high level overview of where likely potential for increased wider value delivery exists. Follow-on work was anticipated if there was interest in understanding wider value potential for particular asset classes or value categories in more detail.

Seaweed

[REDACTED]*

Farming

[REDACTED]*

These diagrams will be used in the next stage of corporate plan development to identify the predominant types of value that will be generated from CES's management of and investment in different asset types.

The diagrams demonstrate there is scope for much of our activity – including activity to meet statutory requirements related to management of the Estate – to deliver wider value in one or more of the value categories: the challenge is identifying priorities and the assessing the resource associated with delivering it.

Value Reporting Framework

As the organisation has matured, our understanding of wider value and experience of using the business case template has developed, and external debates on value and 'impact' have unfolded. We decided that further development of our metrics was necessary to ensure they are more measurable and could be monitored and reported in a more consistent way. As a result, we contracted Savills Earth to develop a value reporting framework (the VRF) which could be applied to decision making (including business cases) and produce data that forms part of our annual report.

The draft VRF report from Savills is attached as Annex A. The VRF has been designed in line with current best practice e.g. HM Treasury's Green Book. NB. Practitioners more commonly refer to the measurement of wider value as strategic impact assessment.

The VRF sets out proposed metrics and demonstrates how they can be applied to annual reporting and business case development. There are a few areas for which metrics have not yet been developed because of uncertainty around methodologies or CES objectives i.e. skills, homes and biodiversity. As the new corporate plan is developed, these topics will be revisited to develop metrics if appropriate.

The metrics build on the first phase of our value work. The measures identified during this work were qualitative. These are set out in the asset profiles and have been incorporated into our full business case template. For example:

- Economic – Employment – jobs created or safeguarded
- Economic – Local Economy – local businesses are active in the supply chain and provide local employment
- Regeneration - People – people are enabled or empowered
- Social – Health – reflects/promotes good health at the local or national level
- Environment – Pollution – pollution is decreased/not increased

The VRF moves us towards more quantitative metrics which will be more measurable and more easily reported against. Some example metrics are set out below:

- Economic – Economic contribution = gross value added (£)
- Economic – Investment = total new investment (£)
- Regeneration – Brownfield Investment/Socio-Economic Investment = total new investment (£)
- Social – Food = value of production (£)
- Environment – Water Pollution – value of condition change (£)
- Climate change – Investment in Adaptation = total new investment (£)

Qualitative reporting will remain important in, for example, the annual report where the breadth of what we do can't fully be communicated through a set of largely quantitative metrics. Case studies reporting on initiatives such as the Sustainable Communities Fund, offshore wind Supply Chain Development Statements and the Future Forum will be helpful in capturing wider value that will not necessarily be picked up in quantitative reporting. The case studies will use terminology consistent with the VRF and make links to the metrics where practicable.

3. Recommendation

The VRF has been developed based on it being embedded in the annual report, reflecting the statutory nature of our wider value duties and the need to present a coherent picture or record of what we are delivering. A frequent and regular update through the annual report provides a transparent and accessible way of building the 'story' of what CES delivers.

The VRF is also intended to support the business case process, providing a consistent set of metrics across decision making, monitoring, and reporting.

Therefore we now need to consider how and when we apply the VRF to our reporting processes and incorporate into our business case process.

Subject to progress in recruitment, we recommend that in FY24-25 we:

1. Pilot the use of an agreed selection of the new metrics in the business case process and the annual report.
2. Test language and terminology to be used in the new corporate plan and mirror in VRF tools and reporting.
3. Consider long-term skills and resource requirements as part of the planning process and the associated organisational design work.

In line with the discussion at the August Board meeting, we would welcome Board members' views and strategic guidance on this approach, taking into account the VRF findings regarding data complexity and confidence, and data gaps.

This work in FY24-25 would enable us to have a firmed-up approach in place for FY25-26 in line with the launch of the new corporate plan and the decision-making activity associated with the delivering it.

The approach to testing will be developed with colleagues from Corporate Affairs and Finance for annual reporting and Finance & Business Services and asset teams for investment business cases.

In-house resource permitting, work would start early 2024 to enable it to also inform the performance framework in the final corporate plan submitted to Ministers in December 2024.

As the next corporate plan period progresses, we will review the implementation of the VRF and consider longer-term business requirements and considerations.

4. Corporate / Business Plan alignment

The Value Project is fundamental to the organisation's delivery of wider value statutory duties. It is developing the tools to understand, measure and report on our delivery of wider value.

As noted above, the metrics and language will be reviewed before being fully rolled-out to ensure alignment with the new corporate plan.

The FY24-25 activity noted in Section 3 will be included in the 2024-25 Business Plan.

5. Risk Analysis

Without further work on the Value Project and sufficient resource to support it, there is a significant risk that CES will not be able to embed consideration of wider value in decision making and will not be able to measure or report on our how we are fulfilling the associated statutory duties.

There is a reasonable amount of ongoing work associated with embedding the VRF from upskilling colleagues, ensuring the correct data is available and accessible to inform business

case templates, developing reporting, and updating metrics as best practice evolves. These needs will be assessed through the corporate planning process and the associated organisational design work.

6. Financial Implications

There may be the need for additional consultancy support in FY24-25 and beyond; this will be included in the Policy team's budget. As noted in Section 3, additional internal resource will be required in the long-term and this will be considered in due course.

7. Sustainable Development and Wider Value

As set out above, the VRF will provide the tools to enable us to better measure, report and monitor our delivery of wider, non-financial value.

8. Stakeholder relations / reputation

We will engage with key stakeholders i.e. Scottish Government and the enterprise agencies to share and test the VRF.

Our work on wider value could be used to position CES as a leader on impact in the public sector, if resource allows.

9. Impact Assessments

n/a

10. Legal and compliance

This work will enable us to demonstrate that CES is fulfilling the duties set out in the 2019 Act.

11. Project Governance and Performance Indicators

Oversight for the VRF sits with the Director of Corporate Operations who works with the Director of Finance & Business Services on relevant aspects such as investment decision making and reporting.

The Head of Policy will lead on the further development and piloting of the VRF.

It is anticipated that responsibility for day-to-day use of the VRF in investment decision making and reporting will sit with the Finance & Business Services team and those working on businesses cases.

There are various ways of measuring success including i) the effectiveness or otherwise of monitoring and reporting processes in feeding through to annual reports and other published content, and ii) testing stakeholder awareness and sentiment regarding wider value delivered by Crown Estate Scotland.

Sections of this paper are exempt from publication in terms of s.36* and s.38(1)(b) of the Freedom of Information (Scotland) Act 2002.

Board Paper

Date of Meeting:	29 November 2023
Classification:	Unrestricted
Subject:	2025-30 Corporate Plan development update
Paper Number:	BD(2023)37.7
Annexes:	Annex A: Corporate Plan development update
Recommendation:	The Board is invited to note the update
Presenter:	Esther Black
Author:	Esther Black

**Our purpose: Investing in property, natural resources and people
to generate lasting value for Scotland**

1. Purpose and context

Annex A provides an update on the development of the 2025-30 Corporate Plan for noting and discussion.

Corporate planning update

- **Complete** - Phase 1 inc. Future Focus sessions, Framework developed, research and workshops (MSPs, local auths, tenants, specialists, staff & Board).
- **Ongoing**
 - **Engagement and comms:**
 - CoSLA, EDAS (inc enterprise agencies), eNGOs, Children & Young People's group, Ministers
 - SG (policy leads Jan 2024, DGs session not proceeding, ministerial roundtable postponed until 2024)
 - Parliamentary reception
 - **Phase 2 planning**
 - Template focussed on must do's only (statutory / mandatory) – what we need to achieve / deliver; inhouse resourcing need; outsourced need; cap and rev income & exp.
 - ET session 11 Dec – challenge; ensure consistency on must do's
 - Then further information gathered early 2024.
 - Board workshop January 2024 to develop outcomes, Vision etc
 - **Develop draft plan** Spring 2024 – focus on must do's only (tbc). Prep consultation. Progress statutory assessments.

2024-25 preparation for next corporate plan

1. Testing of language / terminology / messaging
2. 10-year investment model populated & Total Cost progressed
3. 2025-30 Investment Strategy developed
4. Indicators and metrics tested (in line with emerging plan and Value Reporting Framework) to inform performance framework
5. Value Project - business case template and reporting tested
6. Workforce plan for 2025-30 developed
7. Plan consulted on, finalised (inc. embedding any Total Cost pilot findings) and submitted

Developing a Vision and outcomes

- Need to develop outcomes that align with Vision (the change we want to see) and the Purpose (the 'why' CES exists)
- We need clarity about changes in external environment and the factors that may materially impact CES and Estate.
- Facilitated workshop scheduled for 18 January. In advance, Board members are asked to consider how PESTLE factors may impact the Estate (including our sectors) and the business.



Risks

- **Capacity** – Phase 2 timings and format changed to avoid clashing with business planning. Coordinator role not yet recruited to. Other gaps across teams.
- **Capability** – guidance, training and supporting materials provided
- **SG engagement** – bimonthly meetings, policy leads session. SMP to be finalised Autumn 2025 (SG have indicated no material change). Ministerial engagement.
- **Relevance of plan** over five years – language testing, tracker of existing & emerging duties, base final Vision etc in 2019 Act, workshop January 2024 to explore external environment, consider use of Sustainable Development Goals.

Board Paper

Date of Meeting: 29 November 2023

Classification: Confidential

Subject: 2024-25 Business Plan

Paper Number: BD(2024)37.10

Annexes: **Annex A: 2024-25 Business Plan overview**

Recommendation: The Board is invited to note the plan overview at Annex A

Presenter: Esther Black

Author: Esther Black

**Our purpose: Investing in property, natural resources and people
to generate lasting value for Scotland**

1. Purpose and context

Annex A provides an overview of the areas of focus for the 2024-25 Business Plan for noting.

Introduction

- 2024-25 Business Plan will reflect transition to new corporate plan - slimmed down
- Focus is on i) obligations under the 2019 Act ii) closing out current corporate plan iii) preparing for next corporate plan
- Nov-Feb – budget; draft plan to CEO and Chair, then Board and sponsor
- March – proposed final to SG

Assumptions

- Rev-to-cap conversion is set at 13% for 2024 and assumed at 13% thereafter until Ministers confirm otherwise
- Recurring revenue transfers to SG go ahead as per usual

Corporate activity

1. Implement staff survey action plan
2. Establish PMO
3. Embed an inclusive & 'no-blame' H&S culture
4. Project Management training and qualifications for staff
5. 2 organisational design reviews
6. Strengthening Executive / Leadership Team through additional staffing
7. Strengthen and focus on 'effective management'
8. Strengthening procurement and supply chain arrangements
9. Increase emphasis on delivery through corporate planning process

Preparing for next corporate plan

1. Testing of language / terminology / messaging
2. 10-year investment model populated & Total Cost progressed
3. 2025-30 Investment Strategy developed
4. Indicators and metrics tested (in line with emerging plan and Value Reporting Framework)
5. Value Project - business case template and reporting tested
6. Workforce plan for 2025-30 developed
7. Plan consulted on, finalised (inc. embedding any Total Cost pilot findings) and submitted. Assessments complete.

Asset activity

1. INTOG – managing EAs through to options
2. Energy Ports investment to support supply chain
3. CCS leasing progressed
4. Aquaculture – leasing & community benefit engagement; marine natural capital
5. Capital delivery inc. ZeroFour
6. Conclude farm sales pilots
7. Conclude Challenge Funds process

Board Paper

Date of Meeting: 29 November 2023

Classification: Unrestricted

Subject: People Report

Paper Number: BD(2023)37.11

Annexes: **Annex A: 2023-25 People Strategy Action Plan**
Annex B: Board Reporting

Recommendation: The Board is invited to note and comment on the report provided on People matters in Crown Estate Scotland.

Presenter: [REDACTED]*

Author: [REDACTED]*

**Our purpose: Investing in property, natural resources and people
to generate lasting value for Scotland**

1. Purpose and context

This report contains updates which provide Board with insight into:

- 2023-25 People Strategy Action Plan
- Staffing update
- Learning and Development Update
- Employee engagement and Trade Union
- Equality, Diversity and Inclusion
- Staff Survey Update
- Employee statistics and trends – through the metrics in Annex B and enclosed narrative

2. Background

This report provides regular quarterly reporting to Board on areas of People risk and activity including delivery of our People Strategy Action Plan.

3. People Strategy

Following approval of the People Strategy in August 2023 the People Team have developed an action plan for delivery. This is included in Annex A of this paper, progress against outcomes for this financial year has been included in the action plan. High level detail of actions which are in plan for 2024/25 have also been included to provide a long term view of delivery.

4. Staffing Update

There has been a high level of recruitment to support turnover, internal moves and new roles to build resilience and capacity.

Posts currently under recruitment as at 10 November are listed in the below table.

Business Area	Job Title
Finance and Business Services	Procurement Manager
	HR Business Partner (2 year FTC)
Corporate Operations	Corporate Strategy Coordinator
	Head of Corporate Affairs
Property	Estate Assistant- Glenlivet
	Project Manager (Development)
Marine	Development Manager (Gas, Storage and Pipelines)
Governance	Information Advisor

We have had nine new starters since the last Board update in August.

[REDACTED]*

In addition we have two internal moves into new roles.

[REDACTED]*

We are also recruiting to new roles to build capacity across the organisation in line with the agreed additional c20 roles which have been communicated to staff. An update on recruitment to new roles is included in the MI in Annex B.

4.1 Organisational Change

We have finalised the role profiles for the two new director level posts. We have appointed FWB Park Brown Ltd to partner with us on the Executive Search and Selection exercise to recruit the role of Director of Aquaculture and Ecosystem Services and Director of Development, Capital Delivery and Decarbonisation.

5. Learning and Development

Our strategic approach to Learning and Development is outlined in our refreshed People Strategy and our People Strategy Action Plan outlines the key deliverables against this in this time period.

A new approach to mandatory e-learning has been agreed with the Executive Team and will be implemented in early 2024. This will stagger the completion of e-learning throughout the year and support a blended approach to learning in some topics.

Module title	New schedule	Rational
H&S Essentials	All these topics sit under a health and safety banner therefore these should be grouped and fall under the H&S topic suggested for Q1.	The rational for Q1 is that there are quite a few elements to complete therefore selecting a time when staff do not have pressures such as end of year financial activity which I know starts in Q4. If all these modules are to be completed that is 2 hrs 25 minutes over 3 months
Display screen equipment		
Effective remote working		
Fire awareness/ warden		
GDPR	Q2 Data protection theme	As this module is only 40 minutes having a lighter quarter following H&S makes sense. I am aware the [REDACTED]* provides a report to ARC in May around data protection, so this quarter makes sense.
Equality Diversity and Inclusion	Q3 E, D&I theme	Inclusion week sits at the end of Sept/ start of Oct, so it makes sense this topic sits within Q3
Cyber Security	Q4	As we finish off the year a 40-minute module seems achievable

We have now designed a Project Management programme to suit the diverse development needs of the organisation. We have our first cohort confirmed who have commenced the training programme. The programme will follow the Association of Project Management (APM) standards and ranges from a one-day introduction to project management to accreditation through the APM Project Management exam.

We are in the process of procuring a provider to deliver a programme of management and leadership development which is due to commence in March 2024.

6. Employee Engagement and Trade Union

Regular engagement continues to take place with our recognised Trade Union PCS on a monthly basis in addition to engagement on specific projects such as Organisational Design and Pay.

PCS have also fed into the staff survey action plan which has been developed in collaboration with staff, management and Executive Team.

7. Pay and Reward

Remuneration Committee met on 6 November and approved the parameters for a pay offer to PCS. At the time that this paper was prepared are submitting this pay offer to Scottish Government sponsor team and Finance Pay Policy for approval. Following this we will make a formal offer to PCS on behalf of staff.

A verbal update will be provided to the Board meeting if this position has changed since this paper was prepared.

8. Equality, Diversity, and Inclusion

Our approach to EDI for 2025-30 is being developed through the corporate planning process, including consideration of how we may align with the specific duties in the Equality Act (including Mainstreaming Equalities Reporting).

The People Strategy Action Plan contains actions relating to improving response rates on declaration of diversity information in the workplace. We are working with an external partner to explore additional routes to increase declaration rates on EDI and are exploring additional partnership opportunities.. Recommendations will also be reflected in our new HR system ITT to ensure that this reflects best practice in this area.

Our Pay and Reward Strategy includes actions including reviewing progression times within pay grades to ensure our pay structure supports equal pay.

We have received confirmation from the UK Government Cabinet Office that our re-launched website meets the accessibility requirements set out in the Public Sector Bodies (Websites and Mobile Applications) (No. 2) Accessibility Regulations 2018.

Our new award for D&I in net zero sectors was presented at Newsquest & GenAnalytics' annual Diversity Awards ceremony in early October.

9. Staff Survey

The previous People Board report provided a high-level report on the outcome of the staff survey which was concluded in Spring 2023.

Over the summer we engaged with staff to develop a staff-led action plan which represents the views and suggestions of staff. A high volume of suggestions, feedback and comments have been distilled to create a meaningful action plan which addresses the main themes and priorities raised in the survey. A draft of this plan has been shared with Executive Team, Culture Forum and PCS for their views before finalisation. More detail on the staff survey action plan has been provided to Board under a separate agenda item.

10. Employee Statistics and Trends

We have been developing a new suite of reporting for both Board and Executive Team, while some areas are still under development by our system provider, others are now available and included in Annex B of this report. Where MI is not provided this is because the dashboard is now under development and will be in place for the next board report. The diversity and inclusion screen is also

currently under review, with a review of categories as well as a revised dashboard to support reporting.

FTE for the organisation is increasing, this reflects progress to recruit to new roles in teams. We have a number of fixed term roles in place across the organisation to cover long term leave.

Turnover in the MI tracker shows the turnover in the rolling 12 months prior. This currently sits at 5% across the organisation. Where turnover is noted as 'involuntary' in Annex B this includes leavers such as end of fixed term contracts, death in service, retirement and dismissals. There is no discernable trend in reasons for leaving in exit interviews and we are monitoring this closely. We are currently working to establish a benchmark for turnover across relevant Scottish bodies.

Workplace absence figures have been updated with year to date absence. We continue to support staff through occupational health referrals where appropriate. The high level of psychological absence is mainly attributed to long term absence.

The 3 main reasons for absence in 2023/24 to date are:

1. Stress/ Anxiety/ Depression
2. Hospital Treatment
3. Cold/ Influenza

Board have also been presented with data which shows the impact of unplanned absence which is not related to sickness. This currently sits at an average of 2 days per employee in the last 12 months. This is mainly attributable to a high instance of compassionate and bereavement leave which has taken place in this time.

The cost of sickness absence statistic has been calculated using the employee's daily rate, multiplied by the number of days absence. Our average days absence per employee is below the benchmarked average of 8.1 days in Scottish government.

11. Corporate / Business Plan alignment

The new People Strategy takes us to 2025 and ensures that the People priorities in CES remain aligned to delivery of our Corporate and Business Plans. The strategy will be developed in the lead up to the introduction of the new Corporate Plan.

12. Risk Analysis

Our corporate risk register (risk workshops under way) cites an action related to competencies under risk number 2 and an action related to staff development policies under risk number 5. These risks have been mitigated by the recruitment of an L&D Manager in the People team to progress work in this area. We will however continue to monitor the situation to understand if further action is required.

13. Financial Implications

Costs for implementing the updated People Strategy are anticipated to be met by the current People Team budget which is approved in our annual budgeting cycle. Any additional costs will be included in reforecasting and the budget planning process.

We are currently recruiting additional capacity within the People team to support delivery of the People Strategy and wider organisational change programmes.

14. Stakeholder relations / reputation

As our workforce, remit, and impact grow, we want to continue to invest in our People processes, systems and core provision for staff. We want to be known as a great employer and ensure all staff are adequately supported to operate to the right standards.

Annex A 2023-25 People Strategy Action Plan

[REDACTED]

Annex B- People MI

[REDACTED]*

Sections of this paper are exempt from publication in terms of s.30(b), s.30(c) and s.38(1)(b)* of the Freedom of Information (Scotland) Act 2002.

Board Paper

Date of Meeting:	29 November 2023
Classification:	Unrestricted
Subject:	Stakeholder Meetings
Paper Number:	BD(2023)37.13
Recommendation:	The Board is invited to note this paper.
Presenter:	[REDACTED]
Author:	[REDACTED]

**Our purpose: Investing in property, natural resources and people
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1. Purpose and context

This paper provides the Board with a summary of the meetings and events which the Chair and the Chief Executive have held with stakeholders during the period from 19 August to 23 November 2023.

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

2. Meetings and Events attended

The Chair and Chief Executive both attended or met:

- Roddy Burns CEO and members of Moray Council, 26 September 2023
- COSLA Conference, 28 September 2023. Esther Black and [REDACTED] also in attendance.
- Oliver Reed CEO and Cllr James Stockan, Orkney Council, 17 October 2023.

The Chair attended or met with:

- Tim Eggar, Chair NSTA, on 24 August 2023
- Robin Budenburg, Chair of The Crown Estate on 4 September 2023
- A CCS Seabed Leasing Advice Meeting, 5 September 2023 with members of the Marine team, Anderson Strathern, and representatives from Scottish Government.
- A CCS liaison meeting 12 September 2023 with [REDACTED] along with representatives from Scottish Government.
- SCDI H&I Awards 14 September 2023

- HIE Chair Alastair Dodds and Chief Executive Stuart Black 14 September 2023
- Vicki Moffat, CEO Chapter Zero 28 September 2023
- Willie Watt, Chair SNIB 18 October 2023
- Farm Tenant Forum, 9 November 2023. [REDACTED] also in attendance.
- Sandy Bremner CNPA Chair 16 November 2023
- Nature of Scotland Awards, 22 November.

The Chief Executive attended or met with:

- Offshore Renewables Strategic Investment SLWG Meeting 3, 22 August 2023
- Hamish Trench, CEO, Scottish Land Commission on 24 August, 15 September, 20 October
- Masdar Investment Meeting, 28 August 2023 with [REDACTED] and a group from Scottish Government
- Garry Jebb, Director of Place, University Edinburgh on 29 August 2023
- A Chief Executives and EnFor Deep Dive 29 August 2023 organised by the Cabinet Secretary for Rural Affairs, Land Reform and Islands.
- Annabel Turpie, Director of the Marine Directorate on 29 August 2023
- Margo Williamson, CEO, Angus Council, 8 September 2023
- EELG 12 September 2023 and 13 November 2023
- NDPB Forum 14 September 2023 Andrew McKenna, Chairman Thomas Telford Corpach
- Jennifer Henderson, Chief Executive and other representatives of Registers of Scotland 18 September 2023
- Offshore Renewables Strategic Investment SLWG Meeting, 19 September 2023
- Natural Capital on Publicly Owned Land 19 September 2023
- [REDACTED] and [REDACTED] from the Sponsor team 20 September 2023
- Members of the Sponsor Team and [REDACTED] and [REDACTED] to discuss Ministerial Direction for Crown Estate Scotland, 21 September 2023
- Roy Brannen DG NetZero 21 September 2023
- [REDACTED] Project Director, SSE Renewables and [REDACTED] 21 September 2023
- Laura Brien, Chief Executive MARA, 25 September 2023
- Marina Ltd 27 September 2023
- [REDACTED] from the Sponsor Team, 5 October 2023
- Colin Proctor, Director from Scottish Futures Trust, 10 October 2023
- A bimonthly catch up with the Sponsor team on 12 October, [REDACTED], [REDACTED] and [REDACTED] also in attendance.
- Bobby Sandeman, King's and Lord Treasurer's Remembrancer, Head of Department 13 October 2023
- Visit to Girthhead Farm tenants 18 October 2023
- A monthly catch up with the Sponsor Team portfolio lead and [REDACTED], 20 October 2023
- A monthly catch up with the Sponsor Team to review Business Cases, 23 October, [REDACTED] and [REDACTED] also in attendance.
- A discussion on land purchase at Pitcalzean with [REDACTED] from the Sponsor Team and other members of Scottish Government 2 November 2023
- Crown Estate Scotland, Scottish Government, ScotWind Finance catch up 2 November 2023, several members of Scottish Government and Crown Estate Scotland staff also in attendance.
- Michelle Quinn, Director Offshore Wind, Scottish Government 13 November 2023
- EDAS event – presentation given by Ronan, 16 November 2023

- Single Scottish Estate Public Sector Property Forum, 19 November 2023
- Economy and Fair Work Committee Hearing – Evidence on Just Transition for the North East and Moray, 22 November 2023
- Barry White (NSET Delivery Board), 23 November 2023

3. **Other engagements and events**

Events coming up include:

- Parliamentary Reception, 6 December 2023
- Scottish Renewables Offshore Wind Conference, 25 January 2024

Sections of this paper are exempt from publication in terms s.38(1)(b) of the Freedom of Information (Scotland) Act 2002.