Introduction

The Crown Estate has extensive marine holdings in the Highlands and Islands that forms its Marine Estate. In a time of severe capital constraint, this presents a significant opportunity to work more closely with the communities, businesses and public authorities in the area to achieve sustainable development that benefits all interests.

To achieve this, the Crown Estate, the seven local authorities in the area (Argyll & Bute, Highland, Moray, North Ayrshire, Orkney Islands, Shetland Islands and Comhairle nan Eilean Siar) and Highlands & Islands Enterprise have agreed to co-sign this Memorandum of Understanding that covers the following:

1. The development of a framework for the implementation of action plans for coastal communities in the Highlands and Islands - including the use of techniques such as marine spatial planning;
2. The possible utilisation of Crown Estate, Local Authority and HIE Assets - financial, property and people - to help deliver these actions plans; including possible joint ventures and asset pooling;
3. A common approach to sustainable community and regional benefit from offshore renewable energy projects.

Governance

The Memorandum of Understanding will be overseen by a Supervisory Group comprising the Convenors of the 7 local authorities, the chairman of Highlands & Islands Enterprise and the Crown Estate's Scottish Commissioner. This Group will meet annually and will be supported by a Co-ordination Group of senior officials, one from each of the signatory organisations. The Co-ordination Group will meet six monthly to review project implementation through an annual action plan that will be subject to the unanimous approval by the Supervisory Group. The terms of reference for the Supervisory Group and the Coordination Group are attached.

Activities

The Co-ordination Group will focus on three specific work areas;
1. Consultation and information sharing

2. Partnership, both commercial and social

3. Collaboration for regional and community benefit

Consultation and collaboration activities will tend to be pan-Highlands and Islands, whilst partnership work will be more geographically specific. Accordingly the Coordination Group will build on completed projects such as at Wick Harbour and Tarbert sailing facilities and incorporate existing partnership activities, such as the Pentland Firth wave and tidal programme, in the scope of the Memorandum of Understanding strategy and action plan.

The following list provides some examples of current and recent joint activities together with some initial ideas as to possible future activities. The list is illustrative only at this stage and is designed to show possible areas for collaboration. A detailed programme will be prepared by the Co-ordination Group and presented to the Supervisory Group for their comment and approval. This programme will recognise that all decisions will be made by the individual parties through their established internal procedures and that the Supervisory and Coordination Groups will operate with these constraints. The process for decision making on investment and spend within The Crown Estate is provided in Annex.

1. Pentland Firth Strategic Wave and Tidal area

2. Saltire prize and other wave and tidal leasing rounds

3. Enabling investment for marine infrastructure and supply chain activity
   a. Community benefit from off-shore renewable energy programmes
   b. Consultation and information sharing
   c. Partnership, both commercial and social

4. Collaboration for regional and community benefit

5. Marine Leisure activities

6. Aquaculture – maximising value add
Annex to The Crown Estate Highlands & Islands MoU

The MoU with Highlands & Islands Local Authorities sets out a framework for improved and transparent working practices between The Crown Estate (TCE) and a number of Local Authorities. In support of this framework a process for project identification is required that will ultimately define tangible outcomes and actions. This process is set out below.

TCE is able to invest in three broad types of project, in addition to carrying out wider facilitation activities using the time and expertise of our staff. These are:

1. **Commercial expenditure** - investments in projects that make a commercial return for the Estate. The Crown Estate is constituted under The Crown Estate Act 1961. This Act prescribes how capital will be determined and treated under certain circumstances. Capital expenditure is expenditure incurred in order to enhance the value of an asset beyond its original standard. Subsequent expenditure to ensure that the asset maintains its previously assessed standard should be treated as a revenue cost e.g. repairs.

2. **Enabling actions** - In our role as a pro-active landlord we are running a series of activities known as enabling actions.
   
   a) The overall aim is to minimise any risk and accelerate the Round 3, Scottish Territorial Waters and Wave & Tidal programmes to achieve 33GW around the UK by 2020.
   
   b) To achieve this, we aim to make the most of our strategic overview by tackling issues that affect more than one zone/site.
   
   c) We intend to use our role as landlord to act as an honest broker between developers and the wider world.

   d) We will encourage consultation, dialogue and understanding amongst key stakeholders.

To improve wider understanding of enabling actions it is also important to state what they are not. We are not a developer so we won’t be applying for consents, nor are we a regulator so we won’t be making planning decisions. Enabling actions are designed to help both parties. Issues affecting one project or one zone should be directed at our development partners. Finally, The Crown Estate will not be party to commercial discussions.

3. **Marine Stewardship** - The programme comprises two funding streams:

   a) **Marine Communities Fund** - The Crown Estate’s marine communities fund provides funding for community projects which contribute to development of best practice and make a significant contribution to the environmental management and stewardship of our marine estate.

   Since it was established in 1999 the marine stewardship fund has contributed over £2m throughout the UK to a wide range of coastal and marine environmental projects.

   Marine stewardship fund projects that may (but not exclusively) receive funding include:
- Practical projects, including beach litter cleaning schemes, marine archaeological investigations, restoration of redundant buildings as coastal lookouts, renovation of slipways, installation of new pontoons / moorings, habitat creation initiatives;
- Provision of environmental information and interpretation such as information panels, codes of conduct, good practice guides, publications;
- Education and applied research related specifically to the management of Crown Estate property and the local community, support of seminars aimed at raising public awareness of offshore renewable energy.

b) **Marine Research Fund** - Since 1999 we have invested nearly £3.5 million in projects aimed at understanding and mitigating the impacts of aggregate dredging, aquaculture and other marine activities. By targeted new research and the identification and implementation of practical solutions to priority issues, we contribute to the long term and sustainable development of these marine industries.

Projects that comply with the criteria set out under each area of these potential areas of funding will be allocated to one of these categories using a simple process illustrated below and assessed according to the relevant project type.

The MoU process will be used to maximise synergy in investment opportunities, to provide a platform for constructive engagement, and to ensure proactive feedback is continually applied to the process to ensure it remains up to date and effective.
Process:

1. Officers receive project idea
2. Proposal tabled through triannual meeting using template
3. Proposal allocated to broad category type
4. Consider through existing process
5. Respond through officer group
6. Review annually with conveners/commissioner
7. Feed back success and highlight issues
Draft Heads of Terms for a Memorandum of Understanding with the Scottish Government issued by The Crown Estate

Draft Heads of Terms - 13 October 2010

Parties – (1) The Crown Estate
(2) The Scottish Ministers

Purpose – (1) The Crown Estate and The Scottish Ministers on matters of mutual interest, primarily in the marine and rural environments, through the sharing of knowledge and information, seek to enhance the delivery of mutual objectives; (2) to clarify the respective roles of the parties where mutually agreed and (3) to recognise and preserve the integrity and independence of the various statutory obligations of the parties.

Reviews – Annual.

Role of The Crown Estate – to be completed

Role of The Scottish Ministers – to be completed

1. Sharing of information: methods:-

(i) The following classes of information are “non restricted” and capable of being shared (unless an over-riding statutory duty prevents it):-

(a) The Crown Estate:

- The Crown Estate Scottish Annual Report;
- Appropriate financial analysis of The Crown Estate’s interests in Scotland (reflecting the Scottish element of the net revenue surplus);
- Other reports as may be published by The Crown Estate.

(b) The Scottish Ministers – [complete class of info], eg:-
- Non restricted planning information.

(ii) Exchange of non-restricted info on forward business strategies.

(iii) Early sight of announcements on material matters of mutual interest on a “no surprises” basis (including early notice of non restricted significant business developments and possible non routine asset sales).

(iv) Six monthly meetings between counter parts to report progress on strategies.

(v) Exchange organisation charts to ensure appropriate focal contact.
(vi) The Crown Estate to maintain on its website a schedule of its properties/rights from time to time identifying jurisdiction location.

(vii) The Crown Estate to continue its Scottish Liaison Group for customer contact.

2. Respective Roles:

(i) Clarification of respective roles in matters of marine spatial planning and development.

3. Vision:

Subject to the caveats set out above, the parties will seek to work together in pursuance of their forward business strategies with a view to trying to help each other deliver those objectives jointly identified as areas of mutual interest.

Interaction of Governments

4. Mutual Independence

(i) Recognition of the need for compatibility between this MoU and the HMT MoU.

(ii) Explain The Crown Estate’s role in working with the grain of Govt.

(iii) Recognition that interaction between governments within UK may change prompting change to the MOU.

(iv) Recognition of the different roles and responsibilities of the various UK governments and consequently of The Crown Estate’s interaction with them.
Comments on points made in article by Mr and Mrs Cuthbert annexed to their evidence given to the Scotland Bill Committee on 13 September 2011.

CONTEXT

1. The Crown Estate has a commercial remit which requires it to enhance the capital and revenue of its Estate (Crown Estate Act 1961, section 1 (3)), for the benefit of the public finances. To that end, The Crown Estate has in recent years invested in a number of property-holding joint ventures, with a view to spreading investment risk, gaining access to additional capital resources, and participating in property investments which would be too large for it to carry alone. It receives a proportion of the income of the joint venture vehicle, generated from the leases of the properties.

2. One example of joint ventures are English Limited Partnerships, widely used by highly reputable property investors, including The Crown Estate.

3. In one case, one of the properties owned by such a partnership involving The Crown Estate is situated in Scotland - the Fort Kinnaird Shopping Centre, Edinburgh.

4. In every such case, the transaction is scrutinised for compliance with the Crown Estate Act, with the independence of external legal advice.

5. Mr and Mrs Cuthbert’s article is accurate as to the figures, structure and financing arrangements of the Hercules Unit Trust (HUT) transaction, but the implication of their article that The Crown Estate has acted unlawfully or improperly is not correct.

ADDITIONAL SPECIFIC COMMENT

A. The information on which the article is based is in the public domain and is not “impossible for members of the public to ascertain”.

B. HUT is an unauthorised unit trust scheme, so named because it cannot be sold to non-expert retail customers. Participation in HUT is therefore only open to sophisticated property investors. HUTs status under the Financial Services and Markets Act has no bearing on The Crown Estate. Nor does the absence of the regulatory protections cited in the article, which are designed to safeguard retail investors.

C. The article cites as a point to “Note”, that British Land is both property adviser to HUT and a 36.6% stakeholder in HUT, and property adviser and administrator to the limited partnership. This is a normal arrangement in a limited partnership structure, as the general partner does not have the expertise or infrastructure to carry out these functions.

D. The Crown Estate does not have “a share of the debt” of the partnership, and its participation in the partnership does not involve it “taking on debt”. The Crown Estate’s independent legal advice confirmed, and The Crown Estate and HM Treasury are satisfied, that the arrangements are not in breach of the borrowing restrictions in the Crown Estate Act.
E. The article confuses a protocol between The Crown Estate and the Treasury with a loan-to-value (LTV) covenant which is a contractual obligation of the limited partnership. The Treasury protocol is that the debt of a partnership in which The Crown Estate is invested will not exceed 40% of the value of the partnership’s asset. The LTV covenant, a standard term in property financing, is that the partnership’s debt should not exceed 35% of the partnership’s assets. The placing of money on deposit by the partners was a voluntary option open to them to correct the LTV deficiency, which they chose as part of a long term investment view. The cash deposits, which remain the property of the respective partners, will reduce as and when the market recovers, and revert to the partners.

F. Scrutiny of The Crown Estate’s investment is governed by the Crown Estate Act, and by the accounting requirements applicable to The Crown Estate.

G. The article calls it “odd that a body entrusted with the management of public assets..........should use a newly constructed special purpose vehicle, Emerald,........to raise the necessary finance”. The Crown Estate’s remit oblige it to operate commercially in competitive markets and it is duty bound to explore whether commercially beneficial transaction structures which are used in those markets are available to it. Innovation is not improper.

H. The Crown Estate has purchased a non-controlling interest in an entity which owns several properties, one of which happens to be in Scotland. The Crown Estate is not the owner of the property. The Crown Estate is under no obligation to clear any transaction with ministers; only to satisfy itself that its activities are lawful and conducive to delivering its statutory objectives to further the commercial interests of the Estate, subject to good management and also to good governance. This approach accords with the principles laid down in the Report of the Commissioners of Crown Lands, 1955 (the Eve Report), which were the foundation of the Crown Estate Act.

I. The article suggests that the investment “puts Scotland in a lose-lose situation”. If it was successful, the profit “would not have come to Scotland”; if it was not, The Crown Estate was “likely to take a very hardnosed view” in order to redress the situation. The Crown Estate manages an estate worth £7 billion across the UK. The inference that, if a Scottish investment is unsuccessful, The Crown Estate would “punish” Scotland by being hardnosed in Scotland is neither logical nor credible.

J. The article suggests that “short term revenue maximisation” by The Crown Estate might threaten Scotland’s long term economic potential in renewable energy development. But a successful renewables industry will be fully compliant with The Crown Estate’s obligations under the Crown Estate Act. Hence the reason why it is investing to develop the industry. It has every reason not to jeopardise that opportunity.

K. The article suggests that by using joint ventures of the Fort Kinnaird type, The Crown Estate might do something which “could effectively amount to the back door privatisation of large parts of the sea bed”. The investment involving Fort Kinnaird was an investment in a new asset. By contrast, territorial sea bed is in the historical ownership of the Crown by Crown prerogative and managed by The Crown Estate. Dealing with the UK’s sea bed
involves issues of national and international importance and would involve consultation with affected governments.

L. The remit of TCE is not in any way altered or affected by the Sovereign Grant Bill. Determination of future sovereign grant simply uses the Crown estate’s surplus as an ingredient in the calculation. The surplus is not hypothecated but will continue to go straight to the Consolidated Fund to benefit all of the UK.
Additional comments on evidence of other witnesses. The column reference is to the Official report of the Committee meeting.

1. Investment and charging procedure

**Column 172 – Joan McAlpine stated** – “You mentioned your member Mr Mackie from the Scrabster Harbour Trust. He gave to the Rural Affairs, Climate Change and Environment Committee evidence that has been submitted to this committee for our investigations. Mr Mackie did not paint a picture in which the Crown Estate is doing anything to enhance the development of his harbour in Caithness. One of his complaints was that he had to incur considerable extra costs when he was trying to develop the harbour for the purpose of renewable energy development and oil exploration west of Shetland. In fact, he said that he has to pay the Crown Estate £40,000 a year and when he developed and improved the harbour he had to make another £130,000 one-off payment. The Crown Estate did not invest in the improvement, but will get revenues back.”

In addition, **Column 186 – Joan McAlpine stated** – “…Scrabster Harbour Trust … saw the Crown Estate as inhibiting that development. When the trust wanted to develop its harbour, it had to pay the Crown Estate extra, yet the Crown Estate did not seem to be putting anything into the development of the infrastructure”.

**Our response:**

We are open to discussions on possible investment in any part of our business. In this instance, during the course of discussion on matters with Scrabster Harbour Trust, we invited the Trust to submit a proposal for Crown Estate investment in their harbour to us. We did so in November 2009 and again in July 2010. Scrabster Harbour Trust chose not to present any investment proposal to us.

Any use of land requires a payment in return, as acknowledged in the BPA evidence. Rob Hastings gave an explanation of the rental negotiation process in his evidence. We confirm that independent assessment of rental value is available to all our marine tenants both at initial determination and at each review date.

2. Consultation

**Column 179 – Councillor Foxley stated** – “The crofters are concerned because two leases were issued for the straits of Kyle Rhea. They are very interested in what is a narrow stretch of water that is literally at the bottom of their crofts. They rightly want a direct say in management of that stretch of water and in the benefits that come from it, including the financial benefits from jobs and training. The crofters want to work and co-operate with the business interests to ensure that the developments proceed.”

**Our response:**

The crofters of Glenelg and all those in the local community will have a say in whether or not development takes place through the statutory consenting process. The Crown Estate provides first an Agreement for Lease that allows interested parties to progress normal development activities such as community consultation and site investigation studies with exclusive access to that location, all of which are normally then used to support their application for statutory consents from Government. A large range of activities on seabed in Scotland requires the statutory consent administered by Marine Scotland on behalf of Scottish Ministers. This consenting process includes public consultation. If foreshore or land based development is proposed then the local authority as the statutory consenting authority similarly considers views expressed by interested parties. These processes are the
procedures Parliament has determined are appropriate for public consultation and so they will allow interested parties such as the crofters in this instance to express their views before any activity commences. None of the projects for which The Crown Estate is required to grant permission will proceed without the associated planning and marine licensing permissions.

Our proposed MoU with the Highlands & Islands local authorities is aimed at developing a clear and transparent framework for communication so that such an instance does not arise again. We would be happy to proceed to finalise the MoU as this would assist alignment with local community aspirations.

3. Training

Column 188 – Councillor Foxley stated - “Roger Bright said in Caithness two years ago that if there was a line of sight on training, the Crown Estate would put money in to help train people to work on offshore marine renewables, but that has not happened.”

Our response:
The Crown Estate convened a meeting of training providers across the UK, and on 18 April 2011 announced a funding boost for postgraduates studying for a newly created MSc in Marine Renewable Energy.

We are offering nine bursaries, with £3,600 available for each of the successful applicants. Students will be able to study modules in marine renewable energy, marine stewardship and environmental impact assessment. The funding will come from the enabling actions fund of The Crown Estate’s Round 3 wind energy programme, which aims to deliver a quarter of the UK’s electricity needs by 2020.

The course, which is accredited by IMarEST (The Institute of Marine Engineering, Science & Technology), is being operated by the Marine Technology Education Consortium and is running as a collaboration between Newcastle University, University of Strathclyde, University of Southampton and University College London. All are recognised for their excellence in marine technology, training and research.

The course is a distance learning programme, meaning that students will be able to continue to work full time.

Six bursaries have already been taken, with two more expected to be taken by the end of 2011. More information is available at http://www.strath.ac.uk/na-me/postgraduatestudies/marinetechnology-mtec/ and at http://www.mtec.ac.uk.

In addition The Crown Estate is part sponsoring the RenewablesUK Renewables Training Network (RTN), aimed at resolving the skills gaps affecting the renewables industry.

4. Control

Column 190 Calum Davidson stated – “I make the observation that we are talking about the control of the foreshore and sea bed rather than ownership. There is an interesting example in Shetland where, as a historical by-product of the Zetland County Council Act 1974, made as a result of oil, Shetland Islands Council has control over things that happen on its sea bed; it issues the work licences. It may be worthwhile examining the experiences there.”

Our response:
The Scottish Government through Marine Scotland already has "control" of the seabed, and local authorities have control of the foreshore. No activity on seabed or foreshore can take place without the statutory consenting processes, now exclusively vested in Marine Scotland for seabed and in local authorities for foreshore. The Crown Estate as the holder of the landowner powers is quite separate from the statutory consenting process. This works well for, and is clear to, tenants/users as the Shetland Works Licence system to which Mr Davidson refers, demonstrates, it having been in operation for over 35 years. So devolution of Crown Estate powers would do nothing to influence local control as the question of effective local control is entirely a matter between the Scottish Government (Marine Scotland) and local authorities.

5. Strategic environmental assessment
Column 191 Calum Davidson stated – “I have one observation. I will touch on Scottish territorial waters and round 3 of offshore wind farm leasing.

We have built up issues. The Crown Estate went ahead and offered a number of sites for lease in advance of a strategic environmental assessment, which was then carried out by Marine Scotland. That is a bit like giving planning consent before doing the local plan. We then had the problem that a number of those consented sites, in which a number of companies had invested significantly in carrying out sea-bed surveys, were not recommended for lease under a strategic environmental assessment. I am thinking particularly of sites around Kintyre and Dumfries and Galloway.

To me, that is a classic example of how the wrong approach has been taken. A single, integrated approach through Marine Scotland would be a much more satisfactory way of proceeding.”

Our response:
We have written separately to the Convenor, Linda Fabiani, on these comments. We wanted to clarify that we did not offer any sites for lease in advance of a strategic environmental assessment in Scottish Territorial Waters. We offered exclusive rights to develop specific sites to developers that could be converted into lease options and then full leases if the developments complied with the full regulatory process, including the grant of consents by the Scottish Government. We also explain that we took this unconventional approach at the request of the Scottish Government. Our letter of 3 October is attached as Annex 5.
Dear Convener

I am writing following the Scotland Bill Committee’s evidence session on 20th September. As requested, we are submitting separately some comments and clarifications on the Official Report.

There is one clarification, however, that I believe raises a serious issue. Mr Davidson, the Director of Energy at Highlands & Islands Enterprise, made reference to the Strategic Environmental Assessment (SEA) in relation to the offshore wind energy programme in Scottish Territorial Waters (STW) that may have misled the Committee. Mr Davidson’s statement can be found in column 191 of the Official Report and an extract is provided below:

The Convener: I have a final question for Mr Davidson. As a Marine Scotland will give evidence in the next panel of witnesses I wondered whether he had any views on how marine development and renewable energy could be better integrated.

Calum Davidson: I have one observation. I will touch on Scottish Territorial Waters and Round 3 of offshore wind farm leasing. We have built up issues. The Crown Estate went ahead and offered a number of sites for lease in advance of Strategic Environmental Assessment, which was then carried out by Marine Scotland. That is a bit like giving planning consent before doing the local plan. We then had a problem in the number of those consented sites in which a number of companies have invested significantly in carrying out seabed surveys were not recommended for lease under a strategic environmental assessment. I am thinking particularly of sites around Kintyre and Dumfries and Galloway. To me, that is a classic example of how the wrong approach has been taken. A single integrated approach to Marine Scotland would be a much more satisfactory way of proceeding.

In fact, The Crown Estate did not offer any sites for lease – we offered exclusive rights to develop specific sites to developers that may then be converted into lease options in the first case and then full leases only if the respective developments had complied with the full regulatory process including the grant of consents by the Scottish Government. A more serious matter, however, is how it came about that The Crown Estate undertook this unconventional approach. I have set out the history of the issue below. We also wrote to the Scottish Government on 4th February 2011 reminding them of the history and I assume that the Director of Energy at Highlands & Islands Enterprise would have been advised of this given that many of the offshore wind sites are in the Highlands & Islands Enterprise area.
In complying with the EU Directive for Strategic Environmental Assessment (SEA), where it is likely that development activity leads to a plan or program, our preferred practice is to undertake an invitation to tender process following the completion of the SEA by the competent authority. This enables interested parties to be consulted and to have their views included and gives developers an indication of the most acceptable locations for offshore wind farms in advance of making bids. This was the approach we took with the Northern Ireland Executive in the programme proposed for Northern Ireland waters.

We recommended such an approach to the Scottish Executive (now the Scottish Government) for STW back in 2007 and this was accepted. However they had a change of mind later that year and decided not to undertake an SEA. It is The Crown Estate’s practice to operate with the grain of government policy and although recommending against undertaking a leasing process in STW in advance of the SEA, we acceded to the Scottish Government’s request to proceed by providing developers with conditional exclusive rights to develop particular sites. This exclusivity agreement allowed developers the rights to develop particular sites at their own risk in order to progress with their sites only, but no further rights leading to leases for the respective sites. These exclusivity agreements where to be enacted until the post adoption statement was accepted under the SEA process. It was only after this point that The Crown Estate would proceed to provide developers with lease options which in turn may lead to an executed lease on the provision that specified conditions had been satisfied.

I have set out the timeline below which will help you understand the discussions that took place on the SEA. The email trail between April 2007 and November 2007 describes the background to the approach to the STW leasing round adopted by the Crown Estate.

16th April 2007: Email from the Scottish Executive to stakeholders, including the Crown Estate, advising that the Scottish Executive was about to invite bids to undertake the SEA for STW. This included written advice to Ministers that was approved by them. The written advice made reference to the fact that the Crown Estate did not wish to launch a leasing round until the SEA was complete.

8th August 2007: Email from the Scottish Executive to the DTI and the Crown Estate apologising for the delay in commencing with the SEA and confirming that the SEA proposal was being put to Ministers following the Scottish Parliament election and change of administration.

7th and 8th November 2007: Exchange of emails between the Scottish Government, BERR and the Crown Estate. In the exchange the following points were made:

1. BERR offered to undertake the offshore wind SEA for the whole UKCS commencing early 2008. This was declined by the Scottish Government for STW.

2. The Scottish Government indicated they had no plans to undertake an offshore wind SEA for STW as they believed there was very limited scope for development in STW.

3. The Scottish Government asked the Crown Estate to deal with individual applications or run a small competition for leases in STW on the basis that they would not be undertaking an SEA.

4. The Crown Estate proceeded as requested by the Scottish Government. This, despite our favoured option being that an SEA be completed for STW first or that STW be incorporated in the R3 zonal approach.
This material was sent to Marine Scotland on 4th February 2011 to ensure that they were aware of the history in the run up to the completion of the SEA process a few months ago. Our concern was that the late completion of the SEA would damage the prospects for offshore wind development in STW. You may wish to obtain any further information from the Scottish Government and DECC as there may have been correspondence between them not involving the Crown Estate. In the meantime, I would be happy to send you copies of the emails and Ministerial advice referred to but would require to obtain the permission of the Scottish Government and DECC. You may wish to approach them yourself for this information.

I was surprised at the comments attributed to Mr Davidson and disappointed that the record was not corrected in the evidence given by Marine Scotland. There was an implication in Mr Davidson’s evidence that undertaking the leasing round before the SEA incurred unnecessary expense on the part of the developers. While that may or may not be the case, the leasing round was organised following the Scottish Government’s email of 8th November 2007. In light of Mr Davidson’s comments, we shall have to advise the developers of the background.

Yours sincerely

Rob Hastings
Director of The Marine Estate