The Crown Estate’s role in the development of Offshore Renewable Energy

January 2016

The Crown Estate’s management responsibility

The Crown Estate manages:

• over half of the foreshore of the United Kingdom (being the area between mean low water and mean high water on the coast and tidal waters)
• almost the entirety of the seabed of the United Kingdom to 12 nautical miles
• the rights to natural resources (excluding fossil fuels) on the continental shelf under the Continental Shelf Act 1964
• the rights to generate electricity from wind, waves and the tides on the continental shelf under the Energy Act 2004
• the rights to the transportation and storage of natural gas and carbon dioxide on the continental shelf under the Energy Act 2008

Under the Crown Estate Act 1961, The Crown Estate is entrusted to manage such assets on behalf of the Crown; maintaining and enhancing their value and the return obtained from them in accordance with the principles of good estate management.

How rights are granted by The Crown Estate

Figure 1: How rights are granted by The Crown Estate

Rights for renewable energy developments are generally granted by The Crown Estate under an Agreement for Lease.

An Agreement for Lease generally grants a developer an option over an area of seabed. Exercise of the option by the developer will be conditional on it satisfying certain conditions. If the conditions are satisfied and the developer exercises the option, The Crown Estate will be obliged to grant a lease of the seabed to the developer.

The conditions to be satisfied before the developer may exercise the option will include the obtaining by the developer of all statutory consents for the proposed development. If the developer is unable to satisfy all the conditions within a certain time provided for in the Agreement for Lease, the option will lapse.

During the option period the developer will be permitted to undertake surveys and deploy anemometry equipment. However, the developer is not permitted to commence construction of its development until and unless all statutory consents and a lease are granted.
Statutory consents

The developer will need to undertake all necessary technical and environmental studies to enable it to apply for the required statutory consents including planning.

As part of the consenting process, the developer will need to undertake all statutorily required consultation with relevant stakeholders to assess the potential impact of the proposed development. This generally includes consultation with a number of different organisations and the general public.

Projects of over 100MW of generation capacity in England and Wales will need the consent of the Planning Inspectorate. Applications for consent for smaller projects need to be submitted to the Marine Management Organisation or Natural Resources Wales respectively. In Scotland, applications for all marine projects need to be submitted to Marine Scotland. Applications for consent will need to include details of the project design, an “Environmental Impact Assessment” where required, and evidence that the developer has undertaken the required consultation with stakeholders.

Any concerns about the potential impact of the proposed development should be identified during the pre-application consultation and developers will need to show how any concerns have been taken into consideration in their development of the project.

The relevant planning authority will consult on the application and subsequently determine - by weighing up its benefits and adverse effects - whether a project should be consented.

Further information

Detail of the offshore wind portfolio can be found on The Crown Estate website: http://www.thecrownestate.co.uk/energy-infrastructure/offshore-wind-energy/our-portfolio/

The Crown Estate’s work in ocean energy is outlined on our website: http://www.thecrownestate.co.uk/energy-infrastructure/wave-and-tidal/

For any enquiries on either programme, please email: enquiries@thecrownestate.co.uk