

Environment (Wales) Act 2016 Part 1 – Section 6

The Biodiversity and Resilience of Ecosystems Report 2019

The Crown Estate

December 2019

Introduction and context

The Crown Estate is a £14.3 billion UK real estate business with a portfolio including land, property and the seabed out to 12 nautical miles. The Crown Estate has a unique constitution, managing assets on behalf of the Crown, under the terms of the Crown Estate Act 1961, and overseen by the Treasury.

We recognise the value of the natural resources we depend upon to do business, and the impact we have on them (both the positive and negative) through our activity. We have also started work on analysis of different climate change scenarios to better understand the effects on our business.

The natural environment is one of our ‘material issues’, as published in our [Annual Report](#). Our ability to deliver on our purpose, brilliant places through conscious commercialism, is impacted by our planet’s finite resources, growing population and the consequent pressure on our climate as well as on the natural and built environment.

One of our three environmental aspirations focuses on ‘healthy habitats and places’ – by 2030 to be creating healthy places where our customers, employees, communities and natural habitats can thrive. You can read more about our approach in our [Performance against our capitals report](#). The Windsor Estate, in particular, is a great example of our attention to the ongoing resilience of ecosystems and the services they provide.

Responsibility in Wales

The Crown Estate’s responsibilities in Wales include:

- Rural and agricultural land, including around 27,800 hectares (68,700 acres) of Welsh common land and mineral-only interests of around 100,000 hectares (247,000 acres).
- Seabed out to 12 nautical miles and about 65% of Welsh foreshore.

Under the Environment (Wales) Act 2016 The Crown Estate has a duty to ‘seek to maintain and enhance biodiversity so far as consistent with the proper exercise of their functions and in so doing promote the resilience of ecosystems’. Due to the nature of our ownership of holdings in Wales, on land, the seabed and foreshore – which are subject to common rights and public rights of fishing and navigation respectively, we take action around ecosystem resilience and biodiversity enhancement in a manner that is consistent with our responsibilities. This report forms the basis of what we are doing to fulfil our duty.

Ecosystem resilience

Given the nature of our responsibilities in Wales, our approach to ecosystem resilience is shaped by our values and grounded in a partnership approach which sees us work together with a diverse range of Welsh organisations.

Below are examples of how The Crown Estate, in so far as is consistent with the proper exercise of our function, has contributed to the maintenance and enhancement of biodiversity and the resilience of ecosystems.

1. Rural - Welsh common land

Much of this is the subject of common rights under the Commons Registration Act 1967. Whilst this land is primarily used as rough pasture for grazing, it also acts as an important natural resource for all to enjoy within the Welsh countryside. There is a public right of access to nearly all common land, either under the Countryside and Rights of Way Act 2000 or under the 1967 legislation. Common land is usually less cultivated than any surrounding farmland and forms an important resource for nature conservation, recreation and agriculture. Our management approach allows for natural wilding of the areas which results in enhanced biodiversity.

The Welsh Commons are characterised by the following habitat types:

- Unimproved dry acidic grassland
- Semi-improved acidic grassland
- Acidic marshy grassland
- Bracken
- Blanket bog
- Heath land
- Improved grassland.

We carry out cyclical surveys on each area of common land once every six years to identify activities which impinge on our ownership and also, by their nature undermine ecosystem resilience. These surveys cover parts of Denbighshire/Flintshire, Merionethshire, Cardiganshire, Radnorshire, Carmarthenshire and Caernarvonshire. Examples of inappropriate activity are unauthorised fencing, encroachments, ploughing and reseeded, removal of minerals, building, and occupation in any form.

The survey reports make note of ground cover and how it has changed since the previous survey e.g. mature and additional tree growth, with identification of species. Reports also include photographic evidence wildlife, such as wetland birds or wild horses, and of unauthorised activity that requires remedial action, e.g. dumping of waste.

2. Mineral interests

Currently we have nine sites leased for mineral extraction. In addition, we manage the rights to deposits of gold and silver, known as Mines Royal. We work with our customers to deliver planning obligations which include environmental protection measures and the design of effective restoration schemes, which incorporate agreed conservation and biodiversity objectives.

3. Seabed

3.1 Introduction

The Crown Estate owns the seabed out to 12 nautical miles, meaning we have interests including renewable energy, oil and gas pipelines, marine aggregate extraction, telecommunications and power cables. The seabed is subject to public rights of fishing and navigation. In addition, we hold the rights to the resources on the continental shelf, such as natural resources and offshore energy, but excluding fossil fuels. We also own around 65% of the Welsh foreshore, and have granted ground leases to various port operations and marinas.

Therefore the seabed and foreshore interact with a number of different sectors and as a responsible landlord, consideration of biodiversity is integral to our decision-making.

3.2 Designated sites

Our seabed and foreshore is covered by a number of different environmental designations, including:

- Sites of Special Scientific Interest (SSSIs);
- Marine Conservation Zones (MCZs);
- Special Protection Areas (SPAs);
- Special Areas of Conservation (SACs);
- RAMSAR sites;
- National Nature Reserves (NNRs);
- Areas of Outstanding Natural Beauty (AONBs).

When granting leases and licences for activities, we always have considerations for these designations. Our internal Geographic System Information (GIS) mapping allows us to undertake 'proximity checks' to alert us to any overlaps with designated sites prior to awarding any seabed rights. In certain instances, we have a legal obligation to undertake further analysis of the proposed activity and its potential impacts as outlined below.

3.2.1 SSSIs

Under Section 28G of the Wildlife and Countryside Act (1981), we have a duty to take reasonable steps consistent with the proper exercise of our function, to further the conservation and enhancement of the special features of SSSIs in areas of our ownership. The Crown Estate, as a public body, is obliged to give notice to the relevant statutory nature conservation body (in this case Natural Resources Wales (NRW)) before granting permission for operations which are likely to damage the features for which the SSSI is notified. Therefore, where our proximity check highlights a potential interaction with a SSSI, we alert NRW to the proposed activity and the likely scale of impact on the features of the SSSI. We then must take any advice from NRW into account before giving permission for the activity to commence.

3.2.2 MCZs

Under the Marine and Coastal Access Act 2009, The Crown Estate considers itself a public authority and as such there is a legal duty on us to ensure that in exercising our function, we at best further or (if that is not possible) at least not hinder the achievement of the conservation objectives of the MCZs. In practical terms, this means that when The Crown Estate enters into (or changes) a seabed agreement, we must consider the potential effects of that agreement on the habitats and species for which MCZs have been designated. As with the SSSIs, where our proximity check highlights a potential interaction with a MCZ, we alert NRW to the proposed activity and the likely scale of impact on the features of the MCZ. We must then have regard to any advice or guidance given by NRW before giving permission for the activity to commence.

3.2.3 Habitats Regulations Assessment

The Crown Estate is considered a competent authority for the purposes of the Habitats Regulations. Under the Habitats Regulations, competent authorities are obliged to exercise their functions so far as they are relevant to nature conservation, including marine conservation, to secure compliance with the requirements of the

Regulations. This requires us to undertake a plan-level Habitats Regulations Assessment (HRA)/Appropriate Assessment (AA) for plans or projects likely to have a significant effect, either alone or in combination with other plans or projects, on European designated sites. Therefore this would apply to SACs, SPAs and RAMSAR sites.

The Crown Estate may only adopt a plan or project if there are no adverse effects on a European site subject to very exceptional circumstances where legal advice will be required (there must be no alternatives and imperative reasons of overriding public importance).

3.3 Offshore Wind Leasing Round 4

The Crown Estate has embarked on its first large scale leasing opportunity for a decade, in order to deliver a robust pipeline for low-cost offshore wind deployment. Working in collaboration with stakeholders, we have undertaken extensive spatial analysis of the technical resource and constraints on the seabed around England, Wales and Northern Ireland, to understand which areas are likely to offer the best resource for offshore wind development at the current time.

This evidence base has informed our work to refine the areas of seabed made available to the market through Round 4, within which, developers will have the opportunity to identify and propose their own project sites. We are making data and information relevant to the development resource in each of these areas available to developers in the form of a 'Characterisation Report' to help inform their identification of potential project sites. This includes information on subjects such as ornithology, fishing, ecology, environmental designations and military and aviation activity. Within these reports there is a description of these subjects with a description of risk associated with developing offshore wind in that area and in proximity to the receptor.

Although we have identified specific areas to make available in Round 4 we purposefully completed Characterisation Reports for all areas identified within the favourable technical resource area. The Crown Estate is making these reports available not only just to bidders, but also to the public, as we believe it is important to share consideration of these interactions, including biodiversity interactions, so that they can be used to enable potential future work, built upon with further research, future innovation and inform future decision-making.

Further information on the Round 4 Leasing Process, including links to the Characterisation Reports, is available on our [website](#).

3.4 Marine aggregates

The Crown Estate is responsible for licensing the extraction of aggregates where we manage the seabed. Marine aggregates are an important resource for Wales, accounting for approximately 70% of sand and gravel sales in South Wales.

We work closely with the industry, through the British Marine Aggregate Producers Association (BMAPA) and have jointly funded a biosecurity awareness programme to support an associated Biosecurity Management Plan that has been developed and implemented by the industry in the Bristol Channel. Together with other stakeholders including BMAPA and Welsh Government, we facilitated the creation of a standardised dataset for benthic microfauna and sediments through integration of thousands of samples of seabed sediment. The resulting dataset is used to identify spatial and temporal patterns in faunal distribution and the role of sediment composition in determining such patterns.

3.5 Coastal activities - foreshore

We have granted regulating leases over large stretches of Welsh foreshore to NRW and the Pembrokeshire Coast National Park that enable joined up local management of the foreshore and hinterland, benefitting biodiversity in these sensitive and highly designated sites.

We grant wildfowling and conservation leases in line with EU Directives and various national conservation legislation. Wildfowling clubs warden these areas to minimise illegal shooting, providing refuge areas and undertake conservation activities and survey work. This work helps to ensure the activity is sustainably managed.

Recognising the issue of marine pollution we sponsor the Surfers Against Sewage, UK Autumn Beach Clean Series, which over the past nine years has grown from four locations to 2,210 in 2019, mobilising 90,000 volunteers and removing 128 tonnes of litter. Again, helping to sustainably manage the foreshore.

3.6 Data sharing

As indicated with the Round 4 information described above, we are a huge advocate of sharing data to help inform wider knowledge and understanding of the marine environment. The Crown Estate hosts the Marine Data Exchange (MDE), a data management tool system developed by us to store, manage and share offshore survey data collected by our offshore customers. We have an extensive amount of data on the MDE, approximately 179TB of which 62% is now publically available. In Wales, this includes data from our offshore wind, wave and tidal and aggregates customers. Some of the information relates to biodiversity, for example benthic habitats and species, and this data is available to download to help provide valuable evidence around existing activities, conflicts and environmental concerns.

As part of our involvement in the Welsh National Marine Plan (WNMP) Stakeholder Reference Group, we were able to share our evidence relating to resource areas for sectors such as aggregates and renewables. This helped to shape the approach to the Strategic Resource Areas in the Plan. We will continue to work closely with Welsh Government throughout the implementation of the WNMP to share further data and knowledge as it becomes available in order to update evidence and ensure the Plan as effective as possible.

3.7 Working in partnership

We work closely with the Welsh Government and NRW on the development of the network of Marine Protected Areas (MPAs) and have participated in a number of groups

focusing on improving biodiversity across the marine environment, for example, the marine biodiversity task and finish group, the MPA management steering group, and the MPA network task and finish group.

In addition to our commitment to the WNMP Stakeholder Reference Group as mentioned above, we are also members of the WNMP Decision Makers Group and the Wales Marine Action and Advisory Group (WMAAG) and the Clean Seas Partnership. Our contributions to these groups and partnerships helps to ensure a joined-up approach to decision making and knowledge-sharing across marine projects.

Future S6 reporting

In future we will refer to this report on our Section 6 obligations in our dedicated Welsh highlights report, which is published on our website in June of each year. This report will also be available on our website.

We will also look to review our approach to our Section 6 duties in 2020 and build upon our approach to date by drawing our activities together and develop a dedicated plan, which we will share on our website in due course.