

# A Guide to Habitats Regulations Assessment (HRA) for Offshore Wind Leasing Round 4

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Before awarding seabed rights through Offshore Wind Leasing Round 4, The Crown Estate undertakes a Plan-Level Habitats Regulations Assessment (HRA).

This process requires us to assess the potential impacts of Offshore Leasing Round 4 projects on the most valuable habitats in the UK and the UK offshore marine area.

## What is a Habitats Regulations Assessment?

The Habitats Regulations protect certain habitats and species through a network of core breeding and resting sites for rare and threatened species, and some rare natural habitat types which are protected in their own right.

The Regulations specifically refer to Special Areas of Conservation (SACs) and Special Protection Areas (SPAs). These sites are given legal protection because they are designated for habitats and species of importance. Together they form a network of protected sites known as the national site network.

The Regulations<sup>1</sup> are used to make sure that relevant plans or projects which could impact a protected site are assessed. A plan or project can only go ahead if certain strict conditions are met to avoid adverse impacts on the special interest features of these protected sites. The process of assessing the potential effects is known as a Habitats Regulations Assessment (HRA).

Any 'Competent Authority' that proposes to authorise, consent, or carry out a plan or project that may affect a protected site must first carry out a HRA.

### Q: What is a Competent Authority?

A: A Competent Authority includes any public body which adopts a plan or carries out or commissions a project itself or which gives any authorisation or permission for a project. A Competent Authority must carry out a HRA if the plan or project could significantly affect the designated features of a protected site.

### Q: Who is the Competent Authority for Leasing Round 4?

A: The Crown Estate is deemed to be a Competent Authority under the UK Habitats Regulations and as such we have a legal obligation to carry out a plan-level HRA for plan activities such as offshore wind leasing rounds, including Offshore Wind Leasing Round 4. We take this duty very seriously and to support delivery of the Round 4 Plan-Level HRA, we have formed an independently overseen Expert Working Group which is chaired by Professor Dickon Howell and comprises sector-specific technical experts, the relevant UK statutory marine planning authorities, statutory nature conservation bodies and relevant non-governmental organisations.

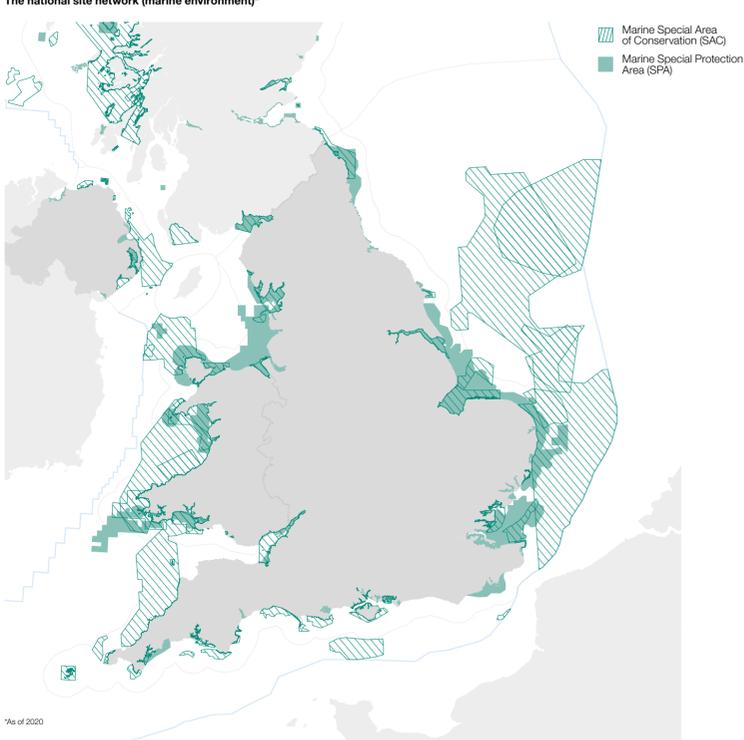
### Q: What is a Special Protection Area (SPA)?

A: An area that has been identified as being of international importance for the breeding, feeding, wintering or the migration of rare and vulnerable species of birds found in the UK.

### Q: What is a Special Area of Conservation (SAC)?

A: An area that protects one or more special habitats and/or species which have been given special status. They provide increased protection to a variety of wild animals, plants and habitats.

### The national site network (marine environment)\*



\*As of 2020

## Offshore Wind Leasing Round 4

Offshore wind has a vital role to play in delivering the UK's decarbonisation ambitions.

Government has set an ambition to deliver up to 50GW of offshore wind capacity by 2030. In addition, the Climate Change Committee (CCC) says the UK will need a target of up to 140GW of offshore wind to meet its legally binding target of net zero greenhouse gas emissions by 2050.

In support of this, The Crown Estate launched Offshore Wind Leasing Round 4, to further grow the UK's offshore wind pipeline.

Prospective developers had the opportunity to identify and propose project sites within four broad seabed Bidding Areas, supported and informed by characterisation data and analysis we made available.

In February 2021, six proposed new offshore wind projects in the waters around England and Wales were selected to progress to the fourth stage of the Round 4 process – the Plan-Level HRA (see stages below).

This is a vital step in ensuring development comes forward in a responsible, sustainable way that supports clean, healthy, safe and biologically diverse seas.

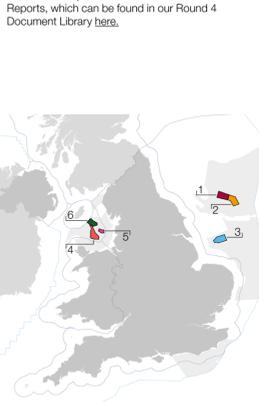
Together, these projects represent just under 6GW of potential new offshore wind capacity with the potential to deliver clean electricity for more than seven million homes. These projects will join a strong pipeline of UK offshore wind farms already in operation, construction and planning which now stands at 43GW.

### Q: Which projects make up the Leasing Round 4 Plan?

The six proposed new offshore wind projects are shown on the map below.

The map also shows the four seabed Bidding Areas (shaded in grey), we made available to market through Round 4 giving developers the opportunity to identify and propose their own project sites within these areas.

Further information about how the Bidding Areas were identified is available in the Regions Refinement Report and Characterisation Area Reports, which can be found in our Round 4 Document Library [here](#).



### Offshore Wind Leasing Round 4 projects

1	RWE Renewables	1500 MW capacity
2	RWE Renewables	1500 MW capacity
3	Green Investment Group - Total	1500 MW capacity
4	Consortium of EnBW and BP	1500 MW capacity
5	Offshore Wind Limited, a Joint Venture between Cobra Instalaciones y Servicios, S.A. and Flotation Energy plc	480 MW capacity
6	Consortium of EnBW and BP	1500 MW capacity

### Five stage leasing process

1	<b>Pre-qualification questionnaire (PQQ)</b>	Late 2019 – early 2020	Assesses potential Bidders' financial capability, technical experience and legal compliance.
2	<b>Invitation to Tender Stage 1 (ITT Stage 1)</b>	Spring 2020 – Autumn 2020	Assesses the financial and technical robustness of projects submitted by pre-qualified bidders.
3	<b>Invitation to Tender Stage 2 (ITT Stage 2)</b>	Autumn 2020: first phase, Early 2021: second phase	A multi-cycle bidding process, using option fees bid by eligible bidders to determine preferred bidders.
4	<b>Plan-Level Habitats Regulations Assessment (HRA)</b>	Spring 2021 – Spring 2022	An assessment of the possible impact of the shortlisted projects on relevant nature conservation sites of European importance.
5	<b>Agreement for Lease</b>	Spring 2022	We will enter into Agreement for Lease with successful bidders.

## Plan-Level HRA process for Round 4

The Round 4 Plan-Level HRA process is a multi-stage process which will determine the Likely Significant Effects of the Round 4 plan on protected sites. Where appropriate, it assesses the adverse effects on the integrity of those sites in relation to their conservation objectives.

The process, illustrated below, involves an initial screening stage to establish whether there are any Likely Significant Effects on protected sites.

Based on our experience and understanding of the complex marine environment, there is a strong possibility that we will not be able to rule out Likely Significant Effects at this stage.

If this is the case, we will undertake an Appropriate Assessment (AA). This is an objective, scientific assessment of the implications for the designated features of any protected sites potentially affected by the Plan.

It will provide a better understanding of the potential effects and identify measures which can be put in place to cancel, avoid or reduce those effects.

In exceptional circumstances, where an adverse effect on the integrity of a protected sites cannot be ruled out, we may (at our discretion, and in accordance with the relevant considerations under the Habitats Regulations) consider making use of the derogations process (see Stages 3 and 4 in the figure below).

However, this would be on the condition that all those measures necessary to compensate for the adverse effect are put in place and the relevant shortlisted project may also be required to adopt those mitigation measures identified in Stage 2 of the HRA process.

Throughout the Plan-Level HRA process, we will be supported by expert independent advisors, and we will consult with the relevant UK statutory marine planning authorities, statutory nature conservation bodies and relevant non-governmental organisations.

### Q: What is the difference between Plan-Level and Project-Level HRA?

A: The six proposed Round 4 projects comprise a plan – the Leasing Round 4 Plan.

Within the meaning of the Habitats Regulations, we will therefore carry out Plan-Level HRA to assess the potential strategic, high-level impacts of the Round 4 Plan on protected sites within the UK and the UK offshore marine area to determine whether we grant Agreements for Lease to prospective developers.

Further to our awarding an Agreement for Lease, successful developers would commence project specific environmental assessments – including a more in-depth, detailed Project-Level HRA as part of their application for development consent through the statutory planning process.

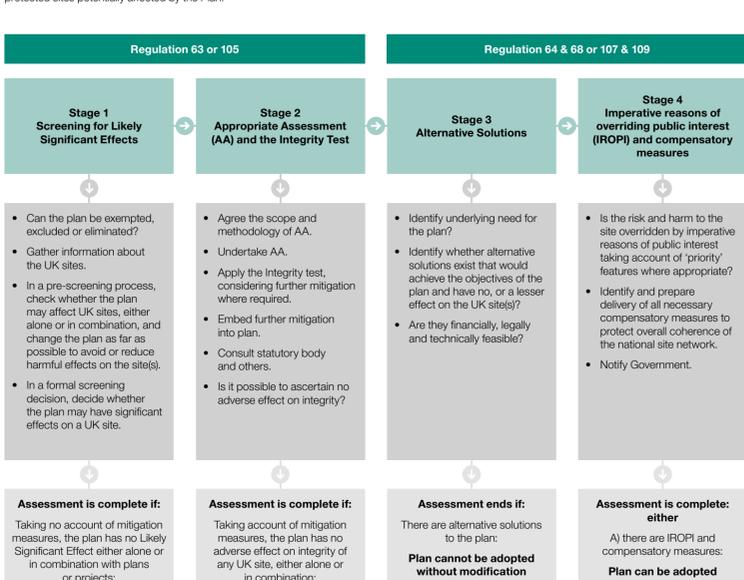
### Q: What is the most likely outcome of the Round 4 Plan-Level HRA?

A: We do not pre-empt the outcome of the HRA process and remain open to all available options under the Habitats Regulations for Round 4, including pursuing a derogation. We will consider specific compensatory measures if the need arises, at the appropriate stage of the HRA process, supported by expertise and guidance from the independently overseen Expert Working Group.

### Q: What is an Agreement for Lease (AFL)?

A: Agreements for Lease (AFL) are the agreements under which seabed rights will be awarded to an offshore wind farm developer following the completion of the Round 4 tender process and Plan-Level HRA approval. AFLs can only be entered into when the Plan-Level HRA has been satisfactorily completed.

Following The Crown Estate's leasing process, developers will need take their projects through a number of important licensing and consenting processes.



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### Potential outcomes of the Plan-Level HRA for Round 4 projects

The outcome from Plan-Level HRA could result in the following for each Round 4 preferred project:

- An Agreement for Lease (AFL) may be granted because we establish that the Leasing Round 4 Plan will not adversely affect the integrity of the protected site(s) concerned.
- An AFL may be granted subject to a prospective developer fulfilling mitigation measures, the plan has no Likely Significant Effect on integrity of the protected site(s) concerned.
- An AFL may not be awarded because we have determined that even with mitigation measures put in place the Leasing Round 4 Plan would still adversely affect the integrity of the protected site(s) concerned. This would result in the removal of the relevant shortlisted project(s) so we can establish that the Leasing Round 4 Plan will not adversely affect the integrity of the protected site(s) concerned. AFLs can be granted to those sites which remain.
- An AFL may be awarded because we have determined that the Leasing Round 4 Plan would adversely affect the integrity of the protected site(s) concerned and we have demonstrated that there are no alternative solutions that reduce or avoid an adverse effect on the integrity of the site(s), and it has been demonstrated that there are imperative reasons of overriding public interest sufficient to override the harm to the site(s) and compensatory measures necessary to ensure the overall coherence of the national site network can be secured.

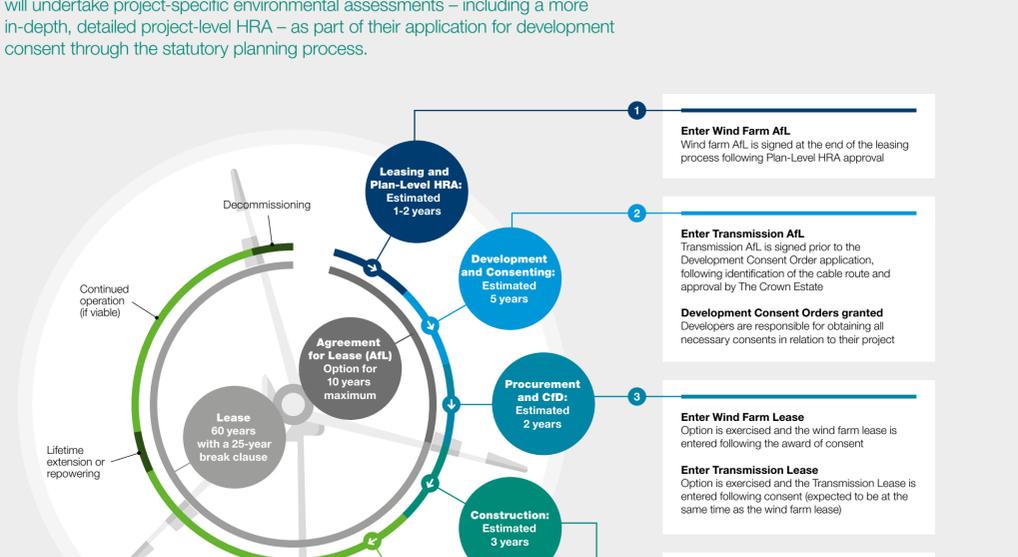
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## What happens next?

If an AFL is secured, projects will progress to the next stage of the offshore wind project life-cycle, which is illustrated below. As part of this process, developers will undertake project-specific environmental assessments – including a more in-depth, detailed project-level HRA – as part of their application for development consent through the statutory planning process.



### About The Crown Estate

The Crown Estate is a unique business with a diverse portfolio that stretches across the country.

In addition to its role in the offshore renewables sector, as manager of the seabed and half the foreshore around England, Wales and Northern Ireland, it also plays a role in marine aggregates, CCUS, cables and pipelines.

Its portfolio also includes: some of central London's best places to work, shop and experience; regional retail and leisure destinations across the country; a substantial rural portfolio; and the Windsor Estate, including the world-renowned Windsor Great Park.

Established by an Act of Parliament, The Crown Estate is tasked with generating profit for the Treasury for public spending. This has totalled £3bn over the last ten years.



### Find out more

You can read more about the Round 4 Plan-Level HRA process, and find copies of our technical documents, [here](#) on our website.

Alternatively please email us at [Offshorestakeholder@thecrownestate.co.uk](mailto:Offshorestakeholder@thecrownestate.co.uk)

1 The Habitats Regulations still apply now the United Kingdom has departed from the European Union in line with the Conservation of Habitats and Species (Amendment) (EU Exit) Regulations 2019, having come into force on 1 day. More information is available [here](#).