
NORTH AYRSHIRE COUNCIL

29 August 2023

Cabinet

Title: Crown Estates Scotland – Memorandum of Understanding

Purpose: This report seeks approval to renew a Memorandum of Understanding with Crown Estates Scotland.

Recommendation: Cabinet approves that the Council continues the partnership agreement with Crown Estates Scotland, to further explore investment opportunities to support North Ayrshire Council's regeneration and economic development priorities.

1. Executive Summary

- 1.1 Cabinet of March 2020 approved the proposal for North Ayrshire Council to enter into a partnership agreement with Crown Estates Scotland (CES) to explore investment opportunities to support North Ayrshire's regeneration and economic development priorities.
- 1.2 The Council and CES subsequently signed a Memorandum of Understanding (MoU) following the Cabinet approval of March 2020, with CES having an enabler and co-ordinator role. However, the MoU has now lapsed (as of March 2023) and requires to be renewed to enable the partnership to continue.

2. Background

- 2.1 CES was established in 2017 to manage the Crown Estate's assets, to support sustainable development generally, and economic development, regeneration, social and environmental well-being specifically.
- 2.2 CES manages the seabed property rights adjacent to and associated with North Ayrshire. They also manage parts of the foreshore of North Ayrshire and have numerous agreements across the region in relation to ports and harbours, cables and pipelines, aquaculture and outfalls.
- 2.3 They are committed to their vision of 'communities and businesses thriving through enterprising and sustainable development of property and natural resources'. They aim to work with local communities on benefits realisation, having regard to the principles of inclusive growth and community wealth building.

- 2.4 The partnership during the first MoU explored a range of options for investment opportunities for CES including supporting a number of Ayrshire Growth Deal projects - the i3 Flex Space industrial programme at Irvine, investment at Hunterston and expansion of the Maritime Museum as part of the Great Harbour Programme in Irvine. However, no investment opportunities were identified due to lack of commerciality for CES or financial benefit for NAC.
- 2.5 CES has also funded 50% of the Marine Tourism Regeneration Manager post within the Council's Growth & Investment Team for the past two years. The post is focused on identifying marine tourism investment opportunities in alignment with the Ayrshire Growth Deal Marine Tourism Programme and also with progressing the Boat Based Tourism Investment Challenge Fund which CES manage.
- 2.6 An updated draft MoU has been prepared which has been the subject of discussions between NAC and CES. The main joint working opportunities are now likely to arise through the Ayrshire Growth Deal Marine Tourism Programme and the Boat Based Tourism Fund. CES have indicated that it does not foresee additional capital investment being available at the moment, but CES does continue to see a role for an MoU between CES and NAC, to explore other support mechanisms to achieve priorities shared between both organisations. In addition, CES have confirmed they will continue to fund 50% of the NAC Marine Tourism post for a further two years.
- 2.7 The Council and CES have provisionally agreed to have regard to the following areas of opportunity as part of the updated MoU:
- Projects that have potential to enhance value of the Scottish Crown Estate;
 - Projects or activities which secure regeneration within North Ayrshire, and/or development of coastal communities and the marine and coastal economy, including marine tourism destination areas;
 - Projects or activities which maximise sustainability, sustainable and inclusive growth and promote Community Wealth Building;
 - Support for projects or activities that involve third parties where combined efforts of the parties can unlock new opportunities; and
 - Support for projects or activities which maximise the impact of the Ayrshire Growth Deal investment, and other major capital investment programmes, and increase capacity to leverage private sector investment and activity, resulting in investment in communities and access to employment opportunities.
- 2.8 While the purpose of the MoU is no longer primarily about seeking new capital investment related to new projects, it is recommended that the Council renews the MoU with CES as it would help provide a framework for partnership work with CES, particularly around the Marine Tourism Programme and the Boat Based Tourism Fund. It would also provide a framework to continue to support the jointly funded marine tourism post working arrangements.

3. Proposals

3.1 It is recommended that Cabinet:

- i) approves that the Council continues the partnership agreement with Crown Estates Scotland, to further explore investment opportunities to support North Ayrshire Council's regeneration and economic development priorities.

4. Implications/Socio-economic Duty

Financial

4.1 There are no direct financial implications arising from the proposed updated Memorandum of Understanding. CES have supported 50% of the funding of a Marine Tourism post within the Council, which they have committed to for a further two years.

Human Resources

4.2 None.

Legal

4.3 The proposal involves the update of a Memorandum of Understanding, which has been developed and discussed with Crown Estates Scotland, in line with the terms set out in this report and in conjunction with Legal Services.

Equality/Socio-economic

4.4 There are no impacts arising from the proposed renewed agreement to work in partnership to explore further opportunities for investment in North Ayrshire. Any emerging proposals would be subject to future approvals and further considerations would be given at that time to equalities and / or socio-economic implications.

Climate Change and Carbon

4.5 CES have stated that they support the sustainable development of property and natural resources. In addition, the MoU will help support the delivery of the Marine Tourism programme in North Ayrshire which includes projects that will have a number of measures to reduce carbon emissions.

Key Priorities

4.6 The continued MoU with CES will contribute towards the four priorities in Our Council Plan 2023 to 2028, in terms of Wellbeing, Communities and Local Democracy, Climate Change and a Sustainable Council. In particular, CES are keen to ensure their involvement in North Ayrshire provides positive community wealth building and inclusive growth outcomes.

Community Wealth Building

4.7 The proposal supports and promotes community wealth building as a key objective of the MoU, with a focus on empowering coastal and island communities through the identification and delivery of place-based projects.

5. Consultation

5.1 Consultation regarding the updated MoU has taken place with the Council's Legal Services team.

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For further information please contact **Neale McIlvanney, Interim Head of Service, Economic Growth & Employability**, on nealemcilvanney@north-ayrshire.gov.uk .

Background Papers

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