

## SUMMARY

- The Crown Estate is committed to continuing its work to accelerate the deployment of offshore renewables and other net zero technologies in line with its strategic objectives and UK policy.
- Achieving the opportunities of the energy security and the net zero transition alongside the recovery of the UK's natural environment is a shared challenge.
- Deploying infrastructure at the rate required to meet national targets will require increasing amounts of investment and strategic coordination.
- We welcome the role of Great British Energy, and our announced partnership that will combine The Crown Estate's expertise in renewables deployment, with Great British Energy's significant investment capabilities as well as its potential project development capabilities and role in building sustainable UK supply chains.
- To support the success of the partnership and GB Energy's objectives, we look forward to continuing to help the Government and other policymakers find solutions to issues which continue to require their intervention. That includes fiscal and policy support to seize the opportunities from emerging floating offshore wind technologies, prioritisation of grid connections, and further policy coordination

## 1. Introduction to The Crown Estate

- 1.1 Established through The Crown Estate Act 1961, The Crown Estate operates independently of Government and commercially occupying a space between the public and private sectors with a set of core duties to grow the value of our portfolio into perpetuity and the income we return to Treasury. Today, we express this through our purpose: to create lasting and shared prosperity for the nation.
- 1.2 Across our £14 billion portfolio, we act in the national interest now and for future generations. Driven by our purpose, our strategy focuses on where we are best placed to influence long-term challenges. We aim to:
  - Responsibly generate value and financial returns for the country;
  - Be a leader in supporting the UK towards a net zero and energy-secure future;
  - Take a leading role in stewarding the natural environment and biodiversity; and
  - Help create inclusive communities, supporting equality, economic growth, and productivity.
- 1.3 Over the past ten years we have delivered more than £4 billion to the Treasury for the benefit of the public finances.

## 2. The Crown Estate's role in managing the marine environment

- 2.1 The Crown Estate is custodian of the seabed, the foreshore, and much of the coastline surrounding England, Wales and Northern Ireland. Our work enables multiple marine sectors including telecoms and cables, mineral resources, nature restoration, offshore renewables such as wind and tidal energy, as well as other net zero technologies including carbon storage.
- 2.2 Our role in managing the seabed means we have a unique opportunity to catalyse the UK's transition to net zero, drive inward investment into communities, and support the recovery of the natural environment and biodiversity.
- 2.3 This includes continuing to invest in world-class digital capabilities, data to support more sustainable infrastructure deployment, derisking activities, evolving leasing processes. Our capabilities, and ability

to take a long-term and cross-sector view, means we also have a significant opportunity to contribute to the strategic planning of the country's future energy system.

- 2.4 Over the last two decades we have a strong track record of working in partnership to establish the UK as one of the most successful offshore wind markets in the world. To date, we have supported the development of 36 wind farms operating across the seas of England and Wales, with a combined capacity of 11.8GW which is enough power for 11 million homes. Our recent Round 4 leasing round is scheduled to provide a further 8GW of offshore wind capacity by 2030. We are continuing to support the acceleration of sustainable offshore wind deployment, including through our £50 million commitment to our Offshore Wind Evidence and Change programme (OWEC) that is commissioning research into data that can deliver infrastructure alongside nature recovery and restoration.
- 2.5 We are also enabling emerging technologies. We have made a £2.4 million commitment to support the development of tidal stream energy, and our floating offshore wind Round 5 leasing round in the Celtic Sea is one of the largest commercial-scale opportunities for the new technology, delivering an initial further capacity of up to 4.5GW. Our research suggests that floating offshore wind in The Celtic Sea could create up to 5,300 new jobs and a £1.4 billion boost for the economy<sup>1</sup> and we are focused on working in partnership to realise those benefits.
- 2.6 As demand increases and the seabed becomes a more complex space, we are taking a more strategic and long-term approach to development that we believe can help contribute to solving key systems issues such as supply chain, grid connection, and consenting processes to support delivery of net zero and nature recovery in tandem.
- 2.7 Using our experience and digital capabilities, our 'Whole of Seabed' strategy is mapping the potential use of the seabed space to 2050. This evidence is underpinning our collaborative work with governments, industries, and other stakeholders to develop a Marine Delivery Routemap<sup>2</sup> that can coordinate pathways to deliver multiple priorities, including industry growth, net zero and nature recovery. This has multiple benefits that include increasing market confidence to attract inward investment, early identification of co-location opportunities, helping to address pinch-points in consenting and grid connections, and forward-visibility of the investments needed in key areas such as ports.
- 2.8 The Crown Estate's work to develop a Marine Delivery Routemap was one of the key recommendations published in last year's independent report from Electricity Networks Commissioner Nick Winser.<sup>3</sup>
- 2.9 Whilst The Crown Estate is doing what it can within its remit to accelerate offshore renewables and nature recovery in line with its strategy, deploying infrastructure at the rate required to meet national decarbonisation targets and to maintain the UK's position as a global leader in offshore wind will require increasing amounts of investment and strategic coordination.
- 2.10 We have contributed to the creation of an Industrial Growth Plan, working with industry bodies, Crown Estate Scotland and government to coordinate the actions and investments needed in supply chains, jobs and innovation to achieve the benefits of a growing offshore wind sector that is estimated to be worth up to £92 billion to the UK economy by 2040.<sup>4</sup> Through this work, and our partnership with GB energy, we look forward to supporting the Government's ambitions to develop their industrial strategy.

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<sup>1</sup> Report: [The Celtic Sea Blueprint](#), February 2024

<sup>2</sup> Report: [Marine Delivery Routemap](#), September 2024

<sup>3</sup> Report: [Electricity Networks Commissioner: companion report findings and recommendations](#), June 2023

<sup>4</sup> Report: [Industrial Growth Plan](#), April 2024

## 3. The Great British Energy and The Crown Estate Partnership

3.1 We welcome the role of Great British Energy, and our announced partnership<sup>5</sup> that will combine The Crown Estate's expertise in renewables deployment, with Great British Energy's significant investment capabilities as well as its potential project development capabilities and role in building sustainable UK supply chains.

3.2 Great British Energy and The Crown Estate will collaborate in four core functions:

- **Collaborating to speed up the process of developing clean energy projects**, helping to accelerate planning and consenting, support better coordination of grid connections, and leasing to derisk and speed up projects for private developers to build. This will unlock private investment and speed up deployment of clean energy infrastructure.
- **Directly investing in clean energy infrastructure and associated supply chains**. For example, supporting infrastructure for floating offshore wind and emerging technologies such as tidal energy and carbon capture projects. This will help make the UK a world leader in these industries of the future and accelerate the delivery of a clean power system.
- **Supporting and informing the Government's policy development** so that it consistently aligns with the mission to deliver clean power by 2030 and accelerate towards net zero, whilst also supporting nature recovery and the growth of other marine sectors.
- **Working together to co-ordinate agencies and stakeholders** to ensure alignment that will drive clean energy deployment, boost energy independence, create jobs and ensure UK taxpayers, billpayers and communities reap the benefits of clean, secure, home-grown energy.

3.3 Fundamental to the partnership's success will be the passing of legislation currently before the House of Lords which will bring essential modernisation of The Crown Estate's own investment and borrowing powers. Those reforms will support our ability to accelerate our marine strategy and the ambitions of the partnership, as well as supporting efforts to deliver our strategic objectives across the breadth of our onshore portfolio.

3.4 We have recently set out our approach to Offshore Wind, which the partnership with Great British Energy will support, in our report titled *'Future of Offshore Wind: Considerations for development and leasing to 2030 and beyond.'*<sup>6</sup> This establishes early-thinking on a more strategic approach to leasing the seabed for offshore wind deployment, including the start of early market engagement to bring forward the next 20-30GW of new offshore wind seabed rights to be brought to market by 2030, and additional de-risking measures The Crown Estate could take to reduce project attrition and unlock the potential for accelerated delivery whilst also protecting and enhancing nature.

## 4. Additional policies

4.1 The Crown Estate is committed to ensuring its partnership with Great British Energy is a success. That includes working with Great British Energy, the Government, and other key stakeholders on further areas where progress could be made to support meeting clean power targets and nature recovery. Our recommendations are set out below.

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<sup>5</sup> [Great British Energy founding statement - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/681117/gbe_founding_statement.pdf)

<sup>6</sup> Report: [Future of Offshore Wind: Considerations for development and leasing to 2030 and beyond](#)

## 4.2 Prioritisation of grid connections

- 4.2.1 We recognise the need for a mature, diverse UK energy mix in the future however to meet the Government's 2030 clean power targets, there must be a focus on enabling projects that have the most value, and at the best cost to consumers.
- 4.2.2 The process for projects awaiting grid connections must prioritise the most economic and consentable projects critical to Net Zero. The grid connection queue currently does not differentiate or prioritise projects that are more deliverable, placing them on the same footing as more speculative projects in a first come, first served queue.
- 4.2.3 Through a Statement of Intent, we are working closely with the National Energy Systems Operator to ensure their Strategic Spatial Energy Plan (SSEP) is informed by The Crown Estate's cross-sector analysis to strengthen its outcomes. The SSEP has the potential to inform future grid design and connection processes that move towards a first needed, first served approach.

## 4.3 Securing the UK's leadership in Floating Offshore Wind

- 4.3.1 As an emerging technology, floating offshore wind has huge potential to support the Government's clean energy and economic growth missions. The Crown Estate is helping the UK achieve the benefits of global first-mover advantage by supporting test and demonstration sites and the launch of our Round 5 tender of up to 4.5GW in the Celtic Sea. We are also supporting catalytic investments into associated supply chains through our Supply Chain Accelerator – a £10 million fund to catalyse floating offshore wind supply chain growth, with a further £40 million subject to the reform of The Crown Estate's investment powers.
- 4.3.2 We look forward to working closely with Government to ensure the opportunities from the new technology are realised. That includes working with Government to enable critical test and demonstration projects, and partnering to identify and support key innovation and supply chain developments that can drive investment and reduce cost curve.

## 4.4 Cross-departmental alignment and timely policy decisions

- 4.4.1 Bringing to market the next 20-30GW of offshore wind leasing by 2030 will require collaboration and agreement across Government departments and devolved governments to align on the best use of the UK's marine environment across multiple areas, including but not limited to energy, nature, defence. A lack of alignment will lead to conflicts over use of marine space and project delays.
- 4.4.2 The Crown Estate's Whole of Seabed evidence base, is already feeding into existing marine spatial planning initiatives such as DEFRA's Marine Spatial Prioritisation programme (MSPri), Welsh Government's Strategic Resource Areas programme, and National Grid ESO's Strategic Spatial Energy Plan (SSEP). We are also collaborating with Crown Estate Scotland to integrate an assessment of Scottish waters into our analysis.
- 4.4.3 However no single body covers the whole of the UK and all sectors and nature together which risks outcomes that are less likely to be deliverable or consentable, as well as outcomes that are unable to maximise opportunities. We welcome the Government's introduction of a Mission Control for Clean Power 2030 which could play a key role in delivering a more coordinated cross-government and UK-wide approach to policy.

- 4.4.4 We recommend that Government uses The Crown Estate's Marine Delivery Routemap as the mechanism to support future spatial decision-making to 2050, and that the outcomes result in clear and timely policy decisions to support acceleration.