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Convener
Net Zero, Energy and Transport Committee

10th March 2022

Dear Convener,

I am writing to inform you that today, 10 March 2022, I will be publishing a report which sets out spending of local authorities in 2020/21 from net revenues generated from Scottish Crown Estate marine assets out to 12 nautical miles. The previous year's report - '[Year one reporting](#)' - was published in 2020. The latest report covers the second tranche of net revenue generated 2018-19 which was distributed to coastal local authorities in July 2020. The allocations during that year were based on the interim formula agreed with COSLA which distributed monies according to the share of total sea area in the 0-12 nautical mile zone adjacent to each local authority. Funds totalled £9.7 million, a £2.5 million increase on the funds distributed in 2019.

Coastal local authorities have been asked to report annually on the operation of their schemes for delivering coastal community benefit from their allocation of the net revenues. To report spend, each local authority project was allocated one of eight primary objectives supporting the blue economy. Consequently, from the £9.7 million, plus an additional £1,316,564.29 (carried over from 17/18 by Highland and Fife Councils), distributed to local authorities a total of £9,040,691.33 has been spent contributing towards blue economy objectives. Local authorities were permitted a carryover of monies into the next financial year as, due to Covid, some projects were delayed in their delivery. The breakdown is as follows:

Total spend towards primary objectives		
Jobs	£696,695.55	6%
Environmental enhancement	£424,835.22	4%
Emissions reduction or removal of waste	£243,641.05	2%
Investment for community purpose	£4,737,269.27	43%
Tourism	£1,851,908.18	17%
Skills development	£315,600.29	3%
Diversification projects	£274,174.97	3%
Climate change adaptation	£490,566.86	4%
De minimis	£6,000	0%
Committed to be spent	£1,974,881.60	18%
TOTAL	£11,015,562.99 *	100%

* includes a carryover from 17/18 for Fife Council of £24,159.86 and Highland of £1,292,404.43

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The third year of spend, from net revenue generated during 2019-20, will be reported by the end of 2022 and will be based on the new agreed hybrid methodology which comprises a 50/50 combination of the current interim formula and a new methodology based on revenues raised from assets in each local authority area.

I trust this is helpful, please contact my officials for further information if needed.



MAIRI MCALLAN

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