

Frequently Asked Questions

What is the difference between transfer and delegation?

A transfer is not a transfer of the asset itself, but is the transfer of the function of managing an asset, resulting in the cessation of Crown Estate Scotland’s involvement in direct management of that asset. The transfer process would mean that all current, future and past liabilities are taken on by the new manager, including meeting any financial liabilities and collecting any income from the asset.

A delegation is the delegation of a function of managing an asset. Following a delegation, a new manager would take on a particular management function. A delegation agreement will set out the terms and conditions on which the function will be delegated and for how long the delegation will last. Crown Estate Scotland may continue to be involved, dependent on the outcome of the application and consultation process, and would also have a role in guiding the new manager.

How does management of assets get transferred or delegated?

The process for transfer or delegation is a lengthy one and can take between 2 – 3 years. This will include a two-stage application process, negotiations on delegated management duties, public consultation and, for transfers, parliamentary scrutiny.

The transfer of the function of managing an asset is effected through a set of regulations made by Scottish Ministers. These regulations would be subject to parliamentary debate/scrutiny. The level of scrutiny applied to the regulations will depend on the nature of the asset.

The delegation of a management function is effected by a direction made by Scottish Ministers and a delegation agreement as mentioned above. A direction is not subject to parliamentary debate / scrutiny.

What are my other options to take on management?

Transfer and delegation are only two of the routes available to take on greater decision-making powers of assets. Other options include leasing, local management agreements, or advisory groups. If you would like to discuss which route might be most appropriate for you, please use the [Enquiry Form](#).

Do I need to have taken part in the pilot scheme to apply for transfer or delegation?

No. The pilot scheme was developed by Crown Estate Scotland to explore potential management options. The lessons learned from the Pilot Scheme have been taken into account in the development of the Independent Framework for Transfer and Delegation (IFTD), but this is a separate process.

If I have taken part in the pilot scheme, do I have to apply for transfer or delegation now?

You don't have to, but you are welcome to. The IFTD is separate to the Local Management Pilot Scheme, but can cover the same assets. If you applied for the Pilot Scheme, the work done to implement this is recognised in the IFTD application process. If you have any questions, please speak to your partnership manager.

Managing an asset

Can I change how the asset is managed?

It is expected that new managers will bring different ideas of how to manage an asset therefore, a one-size-fits-all approach on managing assets may not be appropriate for the unique nature of some of the Scottish Crown Estate assets. That said, a new manager has, amongst other things, a general duty to maintain and seek to enhance

the value of the Scottish Crown Estate asset(s) and the income arising from them. All of this must form part of the business and corporate planning process.

Under a delegation, powers and duties of managers will vary on a case-by-case basis and will depend on the terms of the delegation agreement. Under a transfer, the new manager will have full management powers and duties in relation to the asset(s) (subject to any restrictions on the exercise of the function that may be set out in the regulations giving effect to the transfer). The powers and duties of managers of assets are as set out in Part 3 of the Act.

Will financial assistance be available to help in the management of transfer or delegation?

Grants or loans from Scottish Ministers may be available to new managers for the purpose of making preparations for the transfer or delegation of the function of managing an asset(s). These grants or loans from Scottish Ministers may also be available to assist managers with the exercise of the manager's functions with regards to the asset(s). You cannot borrow against (mortgage) an asset of the Scottish Crown Estate, or otherwise borrow money in connection with the manager's functions.

Can my application be rejected?

Each application is considered on a case-by-case basis, and support is available, and feedback provided, to help develop your case or re-route your request to a more appropriate management function. Scottish Ministers have the ultimate decision in whether to grant or reject an application for transfer or delegation. At each stage, the information received during the application process will be considered against the decision-making criteria of maintaining or enhancing value, community engagement, conflicts of interest, risk, duties and due diligence. More information is available on the decision criteria in the [*Guide to a Successful Application*](#).

What support is available to help my organisation apply?

A full suite of education materials (of which this FAQs document forms part of) has been developed to provide information on transfer and delegation as two new types of management options. Furthermore, guidance materials (available [here](#)) have been designed to help you navigate the application process for transfer and delegation. You can enquire directly to the Crown Estate Strategy Unit Team, who are overseeing the application process, at CESU@gov.scot