



Wales Office
Swyddfa Cymru

Ref: 72SOS25

Rt Hon Jo Stevens MP
Secretary of State for Wales
Ysgrifennydd Gwladol Cymru

T: 0292 092 4216
E: Correspondence@ukgovwales.gov.uk

Cabinet Office
2 Llys Cadwyn
Taff Street
Pontypridd
CF37 4TH

1st August 2025

Dear Andrew

RE: Devolution of the Crown Estate to Wales

Thank you for your letter in June to the Prime Minister regarding the Crown Estate in Wales.

The Crown Estate has played a significant role in attracting international investment into Wales to support the UK's net zero target and will continue to do so. In June, The Crown Estate announced a partnership with Equinor and Gwynt Glas to develop two new floating offshore wind projects in the Celtic Sea. It is estimated that this new industry will support over 5,000 new jobs and deliver £1.4bn boost to the UK economy. This is hugely significant to Wales and will help to deliver transformational change to areas such as Port Talbot.

I am therefore pleased that the Crown Estate is contributing to clean and renewable energy generation in Wales in a number of ways. This includes investment for Welsh projects to help build the supply chain for the offshore wind sector, as part of £400m of Crown Estate funding to support new infrastructure for offshore wind projects across the UK. Wales will also benefit from the Crown Estate's first commercial leasing round for Floating Offshore Wind, as well as investment in tidal energy development and support for the HyNet carbon capture cluster.

The Crown Estate works closely with the Welsh Government and Natural Resources Wales in support of shared priorities, ensuring that these resources are sustainably managed for the long term. This Government's focus is on taking maximum advantage of the opportunities floating offshore wind presents for Wales, using all available levers within the existing devolution settlement.

The Crown Estate's work will continue to deliver for Wales, particularly in creating well-paid green jobs, advancing research and development across various sectors while reducing domestic energy costs. This is why I have worked across government to create a Crown Estate Commissioner with special responsibility for Wales for the first



Wales Office
Swyddfa Cymru

Ref: 72SOS25

Rt Hon Jo Stevens MP
Secretary of State for Wales
Ysgrifennydd Gwladol Cymru

T: 0292 092 4216
E: Correspondence@ukgovwales.gov.uk

time. This will ensure the interests of Wales are fully reflected in The Crown Estate's work.

The work of the Crown Estate will be further strengthened by its partnership with Great British Energy, which has the potential to leverage up to £60 billion of private investment into the UK's drive for energy independence.

It is this government's view that devolving The Crown Estate and introducing a new entity would risk market fragmentation, complicate existing processes, and delay further development offshore. Furthermore, devolution would mean Wales losing access to Crown Estate investment that comes from its revenues in England. It would also risk undermining investment in floating offshore wind which is needed to provide lower bills, cleaner energy and better jobs. This government is focused on delivering these objectives and so does not support the devolution of The Crown Estate in Wales.

Even if devolution could be done without risking the revenues The Crown Estate generates, this would not automatically lead to an increase in the funding available to the Welsh Government. This is because any revenues retained by the Welsh Government in a devolved system would likely be offset through reductions to their block grant, as is currently the case in Scotland. Creating an artificial border through the Celtic Sea would also complicate crucially important work to develop the floating offshore wind industry, particularly as floating offshore wind lease areas straddle the Wales/England border.

I hope this information proves useful to you.

Yours sincerely,

Rt Hon Jo Stevens MP
Secretary of State for Wales
Ysgrifennydd Gwladol Cymru