

# The Crown Estate Act 1961

## brief summary of contents

- The Crown Estate is an estate in land only, apart from cash and gilts holdings necessary for the conduct of business.
- The Board has a duty to:
  - maintain and enhance the capital value of the estate and its revenue income; but at the same time –
  - take into account the need to observe a high standard of estate management practice.
- When selling or letting its property The Crown Estate should always seek to achieve the best consideration (i.e. price) which can reasonably be obtained in all the circumstances, but discounting any monopoly value (mainly from ownership of the foreshore and seabed).
- The Crown Estate cannot grant leases for a term of longer than 150 years.
- The Crown Estate cannot grant land options for more than 10 years unless the property is re-valued when the option is exercised.
- The Crown Estate cannot borrow money.
- Donations can be made for religious or educational purposes connected with the Estate or for tenants' welfare. Otherwise, charitable donations are forbidden.
- The character of the Windsor Estate (Park and Forest) must be preserved; no part of the Estate may be sold.
- A report should be submitted to HM The Queen and to Parliament annually, showing the performance of the estate over the previous year.
- The Crown Estate should observe professional accounting practices and distinguish in its accounts between capital and revenue.
- Money received as a premium from a tenant on the granting of a new lease should be allocated between capital and revenue as follows:
  - where the lease is for a term of 30 years or less it must be treated as revenue;
  - for leases of more than 30 years it must be treated as capital.
- The Crown Estate Commissioners, who comprise the Main Board, are appointed by Her Majesty. They are limited to 8 persons.