

National Assembly for Wales

The Crown Estate in Wales July 2011

The purpose of this paper is to provide information about the Crown Estate in Wales and to outline the discussions taking place about the future of the Crown Estate on a wider basis elsewhere in the UK.

The Crown Estate is land and property that belongs to the reigning Monarch “in right of the Crown” but is not the private property of the Monarch. The term is also used for the body that administers the Estate. At present the Crown Estate is led and directed by a board of eight Commissioners appointed by the Monarch.

Research
Service



The National Assembly for Wales is the democratically elected body that represents the interests of Wales and its people, makes laws for Wales and holds the Welsh Government to account.

The Research Service provides expert and impartial research and information to support Assembly Members and committees in fulfilling the scrutiny, legislative and representative functions of the National Assembly for Wales.

Research Service briefings are compiled for the benefit of Assembly Members and their support staff. Authors are available to discuss the contents of these papers with Members and their staff but cannot advise members of the general public. We welcome comments on our briefings; please post or email to the addresses below.

An electronic version of this paper can be found on the National Assembly's website at: www.assemblywales.org/bus-assembly-publications-research.htm

Further hard copies of this paper can be obtained from:
Research Service
National Assembly for Wales
Cardiff Bay
CF99 1NA

Email: Research.Service@wales.gov.uk

© National Assembly for Wales Commission Copyright 2011

The text of this document may be reproduced free of charge in any format or medium providing that it is reproduced accurately and not used in a misleading or derogatory context. The material must be acknowledged as copyright of the National Assembly for Wales Commission and the title of the document specified.

Enquiry no: 11/0930

National Assembly for Wales

The Crown Estate in Wales
July 2011

Alys Thomas

Paper number: 11/046

Research
Service



Contents

1. Introduction	1
2. What is the Crown Estate?.....	2
3. The governance of the Crown Estate.....	3
4. The Crown Estate and the Civil List	5
5. The Crown Estate in Wales	6
5.1. The Portfolio	6
5.2. The Crown Estate's Finances in Wales 2009-10	6
6. The Crown Estate in Scotland	7
7. The Crown Estate and Welsh devolution.....	11
8. The Coastal Communities Fund.....	14
Annex 1 The Crown Estate portfolio in Wales	15
Agricultural estates	15
Common Land	15
Denbigh Estray Courts	15
Minerals.....	16
Marine and Coastal	16
Ports and marinas	17
Offshore wind energy & marine renewables	17

The Crown Estate in Wales

1. Introduction

The Crown Estate is land and property that belongs to the reigning Monarch “in right of the Crown” but is not the private property of the Monarch. The term is also used for the body that administers the Estate. At present the Crown Estate is led and directed by a board of eight Commissioners appointed by the Monarch.

The operation of the Crown Estate has attracted scrutiny recently for a number of reasons. In 2010 the House of Commons Treasury Select Committee conducted an inquiry into management of the Crown Estate in the UK. The *Scotland Bill*¹, currently before Parliament proposes that one of the Commissioners be appointed as the Scottish Estate Commissioner to represent Scottish interests and that this should be someone who can demonstrate significant knowledge and understanding of interests in Scotland. In addition, the Bill contains a requirement that Scottish Ministers should be consulted formally on the appointment of the Scottish Commissioner. In the course of scrutinising the *Scotland Bill* the House of Commons Scottish Affairs Committee received much evidence on the Crown Estate and announced an inquiry into its management in Scotland which is on-going.

A further development, following the SNP’s victory in the May 2011 election, is that the Scottish Government is pressing for further changes to the *Scotland Bill*, including the devolution of the Crown Estate in Scotland to Scottish Ministers. This would include revenues that are currently paid to the Treasury, being paid into the Scottish Consolidated Fund. Plaid Cymru also called for devolution of the Crown Estate in Wales in its 2011 Manifesto.

The purpose of this paper is to provide information about the Crown Estate in Wales and to outline the discussions taking place about the future of the Crown Estate on a wider basis elsewhere in the UK.

¹ [Research Service, *The Scotland Bill*, Research Paper 11/001, January 2011](#)

2. What is the Crown Estate?

The Crown Estate belongs to the reigning monarch 'in right of The Crown', that is, it is inherent with the accession to the throne but it is not the private property of the monarch, it cannot be sold by the monarch, nor do revenues from it belong to the sovereign.

The term "The Crown Estate" is also used to describe the body established in perpetuity under the *Crown Estate Act 1961*² as a trust estate, independent of government and the Monarch with a public function to:

- invest in and manage certain property assets belonging to the Monarch; and
- **remit its revenue surplus each year to the UK consolidated fund.**

The Crown Estate states that there is no other organisation in world quite like it and "its role as employer, influencer, manager, guardian, facilitator and revenue creator is unique."³

It describes itself as having two main objectives:

- to benefit the taxpayer by paying the revenue from its assets directly to the Treasury;
- and to enhance the value of the estate and the income it generates.

It has a property portfolio across the UK worth over £6.6 bn and is not subject to corporation, income or capital gains tax.⁴

In January 2011 Kerry McCarthy MP asked the Treasury:

To ask the Chancellor of the Exchequer what the income from the Crown Estate was in 2009-10; and what estimate has been made of income from the Estate in (a) 2010-11, (b) 2011-12, (c) 2012-13 and (d) 2013-14. [34196]

Justine Greening:

The Crown Estate is obliged by law to pay its net annual surplus to the Exchequer. In 2009-10 the surplus paid over was £210 million of which rents from offshore wind activity contributed £2.6 million. The Crown Estate's medium-term objective is to generate a return of some £250 million by 2014. Since the Crown Estate operates commercially, it does not publish annual forecasts of its net surpluses.⁵

² [The Crown Estate Act 1961 \(c.55\)](#)

³ [Crown Estate website](#)

⁴ [The Crown Estate Annual Report 2010, Notes to Financial Statements, April 2010.](#)

⁵ HC Debates, 18 January 2011, 521 c752W

3. The governance of the Crown Estate

The Treasury is the Crown Estate's sponsor department. The Economic Secretary is its sponsoring minister who answers for its affairs in Parliament when the need arises.⁶

The Crown Estate is led and directed by its board of eight Commissioners. Board members are appointed by the Monarch on the recommendation of the Prime Minister from candidates identified by a selection panel on which the Treasury is represented. The Scotland Office provides a member of the panel for the appointment of the Scottish board member. There are no corresponding members for Wales or Northern Ireland.

The Crown Estate employs approximately 400 staff, at ten different locations throughout the United Kingdom. The two principal offices are in London, and outside the town of Windsor. None of the offices are located in Wales.

In London there are around 170 staff, headed by a senior management team. Windsor employs 200 people, most of whom are engaged in the maintenance and running of Windsor Great Park, including foresters. The other principal location is Scotland where 30 staff are employed.

For management purposes, the estates are divided into four business groups: urban, marine, rural and Windsor. These are all supported by administrative and service teams.

Much day to day management of the estates is entrusted to appointed firms of surveyors who act as managing agents. Most of the Welsh marine portfolio is managed by [Cooke and Arkwright](#) and the rural estates by [Knight Frank](#).

The House of Commons Treasury Select Committee conducted an inquiry into the management of the Crown Estate in early 2010.⁷ The Committee found that the Crown Estate Commissioners (CEC) run a successful business operation but in

The Commissioners

Sir Stuart Hampson Chairman and First Commissioner

Roger Bright Chief executive and Second Commissioner

Gareth Baird Non-executive Board Member and Scottish Commissioner

Chris Bartram Non-executive Board Member

David Fursdon Non-executive Board member

Jenefer Greenwood Non-executive Board member

Dipesh Shah Non-executive Board Member

Dr Anthony White Non-executive Board Member

⁶ [HM Treasury and the Crown Estate: A Framework Document, September 2010](#)

⁷ [HC Select Committee on the Treasury, *The Management of the Crown Estate*, Eighth Report 2009-10, 22 March 2010.](#)

respect of their urban and marine estates it “encountered circumstances where the extent of their emphasis on revenue generation appeared to prevent the CEC taking full account of potential wider public interests.”

The Committee recommended that CEC review their consultation processes and engage more fully with key public bodies in London about their future plans for their London portfolio.

In respect of the marine environment the Committee found that:

stakeholders are concerned by the emphasis the CEC are placing on revenue rather than long-term development and by CEC's monopoly position. We welcome the CEC's recognition of the importance of greater consultation and partnership-working to develop the new tidal and wave power industries, and recommend that they adopt this approach with the other sectors of marine development with which they are involved. We also welcome the Government's intention to review the CEC's monopoly position in the marine environment. We consider that the CEC ought to be able to adopt an approach that is more sympathetic to facilitating the development of local socio-economic benefit.

The Committee noted “with alarm”, CEC's recent involvement in joint ventures, and recommended that the Treasury review whether such involvement is compatible with the constraints on borrowing contained in the *Crown Estate Act 1961*.

The Committee said that its most important finding was that:

even within the current statutory framework, the CEC have more flexibility to accommodate wider public interests than either they or the Government appear to realise. We consider that, subject to the review recommended below, these wider public benefits should be clarified. We also consider that the Government is taking too narrow a view of the scope it has to advise the CEC on the extent to which it ought to take wider public interests into account.

The Committee did not form a definitive view on whether the current framework for the management of the Crown Estate remains appropriate, and recommended that the Government commission a wider review of the management of the Crown Estate and the 1961 Act, and the appropriate level of Ministerial involvement.

4. The Crown Estate and the Civil List

The Crown Estate traces its origins back several hundred years to the Norman Conquest. In 1760, George III reached an agreement with the Government over the estate. The Crown Lands would be managed on behalf of the Government and the surplus revenue would go to the Treasury. In return the King would receive a fixed annual payment, what is now known as the Civil List.

However, a change to this funding arrangement was announced in early 2011 by the Chancellor of the Exchequer, the Rt.Hon. George Osborne MP, in the Comprehensive Spending Review. He told the House of Commons:

Her Majesty graciously agreed to a one year cash freeze in the Civil List for next year.

Going forward, she has also agreed that total Royal Household spending will fall by 14% in 2012-13 while grants to the Household will be frozen in cash terms.

In order to support the costs of the historic Diamond Jubilee, which the whole country is looking forward to celebrating, there will be a temporary additional facility of £1 million.

After that the Royal Household will receive a new sovereign support grant linked to a portion of the revenue of the Crown Estate, so that my successors do not have to return to the issue so often. [RS emphasis]⁸

⁸ [HM Treasury, *Comprehensive Spending Review Statement*, The Rt. Hon. George Osborne MP, Chancellor of the Exchequer, 20 October 2010.](#)

5. The Crown Estate in Wales⁹

5.1. The Portfolio

In Wales, the Crown Estate includes a diverse property portfolio, including substantial areas of common land, agricultural holdings and a range of mineral interests. It also includes 65 per cent of the foreshore and the seabed out to 12 nautical-miles.¹⁰

A full list of Crown Estate assets in Wales can be seen in **Annex 1**.

5.2. The Crown Estate's Finances in Wales 2010-11¹¹

The table below shows the Crown Estate's finances in Wales for 2010-11.

Table 1: The Crown Estate 12 months to 31 March 2011

	2010-11 £m	2009-10 £1m	2010-11 £1m	2009-10 £1m	% Increase/ decrease from prior year	% of total
Revenue	2.8	2.6	306.8	299.7	7.7	0.9
Gross	2.5	2.3	264.3	246.8	8.7	0.9
Surplus						
Property	31.3	28.8	6703.3	5988.7	8.7	0.5
Value						
Capital	0.4	0.2	571	394.4	-	-
Investments						
Capital	0.1	1.8	406.1	419	-	-
Receipts						

Source: The Crown Estate, Building strong partnerships: Wales Highlights 2011.

Revenue by activity	Property value by activity
Year-end 31 March 2011 £million	Year-end 31 March 2011 £million
Agriculture – 0.1	Agriculture – 4.0
Minerals – 0.4	Minerals – 3.1
Marine/foreshore – 2.3	Marine/foreshore – 23.9
Renewables – 0.4	Renewables – 4.5

Source: The Crown Estate, Building strong partnerships: Wales Highlights 2011.

⁹ [The Crown Estate, The Crown Estate in Wales, 2007.](#)

¹⁰ [The Crown Estate, Building strong partnerships: Wales Highlights 2011, 28 July 2011 \[Accessed 5 September 2011\]](#)

¹¹ Ibid

6. The Crown Estate in Scotland

In respect of the Crown Estate in Scotland, the House of Commons Treasury Select Committee Report explained its status there:

The Crown property, rights and interests in Scotland that are managed by the CEC [Crown Estate Commissioners] are legally different from those forming part of the Crown Estate in the rest of the UK. This is because Crown property rights in Scotland are defined and governed by Scots law, including Scotland's Crown rights in Scotland's territorial seabed and continental shelf area. The distinct character of the Crown rights in Scotland is also reflected in Crown rights that have no equivalents elsewhere—as shown in the CEC's schedule in the Appendix. The position is recognised by the inclusion of provisions relating to the Secretary of State for Scotland in the Crown Estate Act 1961 and the designation of one of the CEC Board members as 'Scottish Commissioner.'

Devolution is another important part of the different context in Scotland. As a result of the Scotland Act 1998, the Scottish Parliament can legislate over the extent and nature of Crown property rights in Scotland, legislate to regulate the use of land and property rights and issue guidance on standards of good management. However, the Act reserved the CEC's administration of Scotland's Crown property rights that make up the Crown Estate in Scotland, and their revenue to Westminster. The Secretary of State for Scotland therefore remains the Minister responsible for the CEC's operations in Scotland.¹²

In respect of the marine environment in Scotland, the House of Commons Committee particularly found frustration in Scotland, where much of the marine development is taking place, at a lack of engagement by the CEC. It recommended that the Scottish Government and CEC agree a concordat or memorandum of understanding to consolidate their working relationship, and that the CEC greatly strengthen their management arrangements within Scotland.

Clause 18 of the *Scotland Bill* currently before Parliament requires that one of the Crown Estate Commissioners be appointed, on recommendation of the Chancellor of the Exchequer, as the Scottish Estate Commissioner. Subsection (2) of this clause amends paragraph 1 of Schedule 1 to the 1961 Act so as to require that one of the Crown Estate Commissioners be appointed as the Scottish Commissioner to represent Scottish interests and that this should be someone who can demonstrate significant knowledge and understanding of interests in Scotland. In addition, the Bill contains a requirement that Scottish Ministers should be consulted formally on the appointment of the Scottish Commissioner. Commissioners are appointed by the Monarch. Schedule 1 is amended to require the Chancellor of the Exchequer to make any recommendation to the Monarch as

¹² [HC Select Committee on the Treasury, *The Management of the Crown Estate*, Eighth Report 2009-10, 22 March 2010.](#)

to whom to appoint as the Scottish Commissioner, and to consult the Scottish Ministers before making that recommendation.

During the committee stage of the *Scotland Bill's* passage through Parliament SNP MPs put down amendments to devolve the Crown Estate in Scotland to Scottish Ministers. Angus McNeil MP stated:

What accountability do Crown Estate commissioners have to Scotland? The head office of the commissioners is here in London, the revenues for the Crown Estate are paid here in London, and the commissioners are not obligated to report to the Scots Parliament, which is the most democratic forum representing Scotland-instead, they sparingly report to this Parliament. The Crown Estate commissioners in Scotland operate under Scots law, because areas over which they take so much control, such as the foreshore and sea bed, are governed by Scots law. My argument is that the administration of the Crown Estate in Scotland should be constituted and controlled within Scots law and the Scottish Parliament.¹³

He continued:

We have a serious problem when one of the largest land managers in Scotland is not accountable to the people of Scotland. The Crown Estate commissioners have a major impact on salmon farming, shellfish farming and aquaculture, they derive income from harbours and moorings and they own the entire foreshore around Scotland, yet they have absolutely no legislative duty to speak to the Scottish Parliament. A group with that much power should be accountable to the local communities of Scotland, not the Chancellor of the Exchequer at No. 11 Downing street, which is many miles away.

Our new clause calls on the Crown Estate commissioners to do what they should be doing anyway. We are seeking that the Crown Estate revenues be devolved to Scotland and that the management of the estate come under the power of the Scots Government. We want the Crown estate to become another Scottish success story, like the NHS and the police, and we want to amend the 1961 Act with new clause 10. We hope to remove the restrictions in the Scotland Act 1998 that prevent the Scottish Government-and by extension the nation, the businesses and the communities, including the islands and coastal communities, of Scotland-from running and directly benefiting from the organisation. It is at best odd that this particular function of the Crown was not devolved immediately, given that Scotland has more than 60% of the UK's coastline. The Government's plan for a Crown Estate commissioner do not go far enough, because this person will be accountable to the Treasury, not Scotland-more like a colonial administrator perhaps. The Crown Estate commissioners should operate as a body under Scots law, which is best accomplished by devolving their powers to the Scots Parliament and further to local authorities.¹⁴

¹³ [HC Debates, 15 March 2011 col 233](#)

¹⁴ [HC Debates, 15 March 2011 Col 236](#)

However, the Liberal Democrat MP for Argyll and Bute, Alan Reid, who had sponsored a private member's bill on reforming the Crown Estate in 2006, commented:

On the income from the Crown Estate, as the hon. Member for Na h-Eileanan an Iar [Angus McNeil] has said, only 6% of its UK-wide income is generated in Scotland, which would mean Scotland being given only 6% of the Crown Estate's income. That does not seem to be a particularly good deal in comparison with Scotland's current share of UK public spending. The important point is that the income, instead of just disappearing into the coffers of the Scottish Government instead of going into the coffers of the Treasury, should actually go to local communities.¹⁵

The Scottish Parliament also convened a committee to scrutinise the *Scotland Bill* and received evidence on the Crown Estate, including an evidence session with the Chief Executive of CEC, Roger Bright. It concluded that:

whilst we have a great deal of sympathy for some of the more radical options being proposed for the Crown Estate Commissioners, we accept that this will require more detailed consideration between the UK Government and the devolved administrations. Given this will take time, we are favourably disposed towards consideration of some of the interim proposals for the Bill, notwithstanding the wider considerations that will continue after this Bill is enacted and we urge an early and full dialogue between the UK Government and the devolved administrations on this issue with all options on the table for the future governance of the Crown Estate Commissioners' functions in Scotland.

And that:

the relationship of the Commissioners with the Scottish Parliament and the Scottish Government.... needs to be improved and made more formal, recognising the importance of the devolved matters affected by the Crown Estate Commissioners' work, notably in relation to renewables policy. We suggest that the Crown Estate Commissioners might re-instate their Scottish Operating Division; that consideration be given to the creation of the Scottish Committee with relevant stakeholders to be chaired by the Commissioner for Scotland; that the Commissioners should present a report of their work in Scotland to the Scottish Parliament; and that the Scottish Ministers should have a statutory right to be consulted on the exercise of the Secretary of State's powers of direction.¹⁶

Following its emphatic victory in the Scottish Parliamentary election, the SNP Government is seeking to negotiate changes with the UK Government about the contents of the *Scotland Bill*, in particular, it wishes to have control of the Crown Estate¹⁷

¹⁵ [HC Debates, 15 March 2011 Col 236](#)

¹⁶ [Scottish Parliament, Scotland Bill Committee, 1st Report, 2011 \(Session 3\) Report on the Scotland Bill and relevant legislative consent memoranda, SCO/S3/11/R1, March 2011](#)

¹⁷ [BBC News, Salmond reports "progress" over Moore meeting, 12 May 2011](#)

The House of Commons Select Committee on Scottish Affairs announced that it would conduct an inquiry into the Crown Estate on 16 February 2011. It is conducting private meetings as a prelude to the Committee announcing terms of reference and inviting written evidence for its inquiry into the Crown Estate in Scotland. It has asked submissions on the following by 10 June 2010¹⁸:

- the management and governance of the Crown Estate in Scotland;
- the role and mandate of the Crown Estate Commissioners; and,
- the interaction between the Crown Estate Commissioners and UK, devolved and local government.

In particular, the committee has asked for responses to the following questions in relation to the Crown Estate Commissioners:

- do the CEC serve a useful purpose in Scotland?
- what is/should be the role of the CEC in investing in Scotland?
- What is the legacy of the CEC in Scotland?
- Are the current management, administration and accountability arrangements of the CEC appropriate?
- How could the CEC best act in the public interest in Scotland?

¹⁸ [HC Select Committee on Scottish Affairs, *Committee launches new inquiry into the Crown Estate in Scotland*, Press Release, 12 May 2011.](#)

7. The Crown Estate and Welsh devolution

The Crown Estate's activities affect policy areas that are devolved to Wales, including: rural affairs; terrestrial and marine planning; marine management and strategy; economic development; fisheries and the development of renewable energy.

When the Chief Executive of CEC, Roger Bright, gave evidence to the Scotland Bill Committee in the Scottish Parliament he was asked about accountability arrangements with the devolved administrations. He stated:

As you quite rightly say, Mr Peacock, our accountability is formally to the UK Treasury. However, we have nevertheless developed informal accountability arrangements with the Scottish Government, the Welsh Assembly Government and, to some extent, the Northern Ireland Government as well. That involves close working at operational level between my staff—based here in Edinburgh and in London—and Scottish Government officials and Marine Scotland officials. We are also developing contacts with the Welsh Assembly Government and its administrators. Furthermore, we also, of course, have a very good relationship with the Scotland Office.¹⁹

A committee member, Peter Peacock MSP, asked:

By what mechanisms are the devolved Administrations currently able to participate in investment decisions in relation to developments in renewables? Do you act as a kind of development agency enabler, in a way in which you have not acted in relation to your more traditional functions?

Mr Bright replied:

In relation to offshore renewable energy, we very much see ourselves as an enabler and facilitator. Clearly, the UK Government and the devolved Governments have a keen interest in the development of offshore renewable energy. That interest coincides with our business interests; there is clear alignment between our interests and the interests of the Scottish Government and the other Administrations.²⁰

In March 2011 the then Sustainability Minister, Jane Davidson AM, announced that the Welsh Government and the Crown Estate had formalised their intention to work together to support Wales' capacity for marine energy manufacturing and would jointly sign a letter of intent.

This is the first agreement of its kind between the Crown Estate and a devolved administration. It is intended to ensure that deployment of marine renewable energy devices is not delayed by infrastructure requirements at ports in Wales,

¹⁹ [Scottish Parliament, Scotland Bill Committee, Official Report, 3 February 2011](#)

²⁰ Ibid.

and anticipates that the Crown Estate will use their knowledge and expertise to assist Welsh ports in realising their potential. The Minister said:

Ports and harbours are a vital part of the marine renewable energy supply chain. This agreement with The Crown Estate will help us to fast track our marine energy policies and transform our marine potential into usable and renewable energy and new green jobs for Wales.²¹

Mr Bright stated:

I'm keen that The Crown Estate, working with the Welsh Assembly Government, helps to create the maximum number of jobs from the offshore wind supply chain throughout the UK. Our five offshore wind energy programmes aim to deliver over a third of the UK energy needs by 2020 and will create a significant supply chain industry. Through our strategic role and strong working relationships with the relevant stakeholders we will work with Government to realise offshore renewable energy potential and the associated economic opportunities.²²

In January 2011 Radio Wales broadcast a programme, *Eye on Wales*, about the Crown Estate. In it, Elfyn Llwyd MP was quoted as saying that the Crown Estate was "entirely anachronistic" and wished to see the Welsh Government given a greater say in how its Welsh assets are developed. The programme summary also states:

With the Crown Estate receiving a payment for every off-shore wind turbine on its land, one Welsh Labour MP has concerns about its role in implementing the Government's renewable energy policy.

While accepting that the Crown Estate does take heed of Government priorities, Huw Irranca Davies points out that its main priority is to maximise the return for the tax payer.

His concern is that if the Crown Estate decides it can earn more income from other activities - such as oil or gas - they may take precedence.²³

It should be noted however that the marine estate of the Crown Estate has the sovereign rights to explore and make use of the natural resources of the UK continental shelf, **with the exception of oil, coal and gas.**²⁴

In their 2011 election manifesto Plaid Cymru argued for the devolution of the Crown Estate to Wales:

The Crown Estate is a significant rural landowner in Wales. It also owns the sea bed out to 12 miles offshore and owns 65% of the foreshore. These are valuable assets, particularly in light of the potential for Wales to become rich in offshore renewable energy.

²¹ [Welsh Government, Press Release, *Good News for Marine Energy*, 15 March 2011](#)

²² [Crown Estate, *The Crown Estate and Welsh Assembly Government signal support for marine renewable manufacturing*, Press Release, 25 March 2011](#)

²³ [BBC Radio Wales, *Eye on Wales*, "The Crown Estate", Broadcast on 31 January 2011](#)

²⁴ [Crown Estate website, *Our portfolio: Marine* \[Accessed 5 September 2011\]](#)

Plaid believes it's high time that all profits from the Crown Estate in Wales were used for the benefit of the people of Wales and we will call for its ownership to be transferred to the Welsh Government on behalf of the people of Wales.²⁵

²⁵ Plaid Cymru Manifesto, April 2011

8. The Coastal Communities Fund

On 22 July 2011 HM Treasury announced the creation of a Coastal Communities Fund to be financed by the UK Government through the allocation of funding equivalent to 50 per cent of the revenues from the Crown Estate's marine activities.²⁶ It is designed to support the economic development of coastal communities and will support a wide range of projects, including those that support charities, the environment, education and health. Examples could include support for developing renewable energy, improving skills or environmental safeguarding or improvement.

The fund will be linked to the revenues that are raised by the Crown Estate's marine activities each year. For example, in April 2012 there will be £23.7 million available in the Coastal Communities Fund, this is based on a 50 per cent share of the £47.4 million revenue raised by the Crown Estate's marine activities in 2010-11.

For each country of the UK, the funds available will be directly linked to the revenues raised by the Crown Estate's marine activities from that area, with separate funding for England, Wales, Northern Ireland, the Highlands and Islands and the rest of Scotland.

The fund will be directly linked to the revenue raised in each country. In April 2012 the fund will be broken down as follows:

2010-11	Total CE Marine revenues in £m	50 per cent of CE Marine revenues in £m
England	36.4	18.2
Scottish Highlands and Islands	3.7	1.85
Rest of Scotland	4.1	2.05
Wales	2.3	1.15
N. Ireland	0.9	0.45
TOTAL	47.4	23.7

It is intended that the fund will be available on a bid basis and the Government is in discussion with the Big Fund, part of the Big Lottery Fund, about the detailed terms on which they could deliver the funds to communities. The Treasury press release stated:

The Big Lottery's Big Fund has a wealth of experience and expertise in delivering funding and is well placed to distribute Coastal Communities Funding, on behalf of the Government. The Government will also liaise with the devolved administrations in Scotland, Wales and Northern Ireland.²⁷

²⁶ HM Treasury, *Coastal communities to receive a multi-million pound boost*, Press Release, 22 July 2011

²⁷ Ibid.

Annex 1 The Crown Estate portfolio in Wales

Agricultural estates

- **Aberystwyth**

The Crown Estate has 91 acres (37 hectares), of land at Aberystwyth that were acquired in the 1980s to provide research facilities for the University of Wales, Aberystwyth (managing agent, Knight Frank LLP, Bristol).

- **Plynlimon**

In 1980 the Crown Estate purchased some 2,929 acres (1,185 hectares), of land at Plynlimon, and also bought in most of the associated common rights in order to allow the creation of two agricultural holdings (managing agent, Knight Frank LLP, Bristol).

- **Tintern**

175 acres (70 hectares), of land at Tintern in Monmouthshire were purchased in 1901. The land includes substantial mineral interests, although the most obvious feature is the ruin of Tintern Abbey, which stands on the west bank of the River Wye. The Crown Estate agreed to place the Abbey in the care of CADW under a long term management agreement.

Common Land

The Crown Estate is responsible for just under 66,500 acres (26,900 hectares), of common land across Carmarthenshire, Ceredigion, Gwynedd, Conwy, Denbighshire, Flintshire and Powys.

The day-to-day management of common land is usually in the hands of commoners, operating through commons associations.

Denbigh Estray Courts

In Denbigh The Crown Estate supports an annual Estray Court. Once a year, usually a Saturday in July, an Estray Court convenes allowing commoners the opportunity to claim their 'lost' sheep. Successful claims entail the payment of a nominal 'fine', imposed by the Court, which then sanctions the return of the sheep. Animals which are not claimed, or in respect of which claims are rejected, are auctioned by way of conclusion to the proceedings.

Minerals

The Crown Estate has around 250,000 acres (100,000 hectares), of mineral rights across Wales and leases for 11 mineral businesses. It is not directly involved in the physical process of extraction; its tenants are a combination of large multinational companies and a few small local operators.

- **Pant-y-Pwll-Dwr Quarry**
(Pentre Halkyn, Flintshire)
Leased to CEMEX and producing 1,000,000 tonnes of limestone per annum.
- **Penmaenmawr Quarry**
(near Conwy, Gwynedd)
Leased to Hanson and producing 500,000 tonnes of granite per year.
- **Manod Quarry**
(near Ffestiniog, Gwynedd)
- **Livox Quarry**
(Tintern)
Leased to Hanson for Limestone, the quarry reopened in 2007 following a two year temporary closure and is now running at low levels of production.

Mines Royal

Deposits of gold and silver – referred to as ‘Mines Royal’ – are owned by the Crown Estate wherever they occur in the UK and may be held independently of surface ownership. These can be extracted independently or as an associated mineral to other deposits.

Commercial production has occurred in the past in places such as, Gwynfynydd and Clogau. Today mining activity is very limited although ‘recreational’ gold panning activity continues. The Mines Royal are leased by the Crown Estate to Anglesey Mining Plc.

Marine and Coastal

The Crown Estate looks after 1,287 miles of Welsh coastline, covering around 65 per cent of the Welsh foreshore. This is divided into 10 coastal estates, located around Monmouth, Glamorgan, Carmarthen, Pembroke, Ceredigion, Meirionnydd, Caernarfon, Ynys Môn and at Flint and Denbigh. It is also responsible for the seabed out to the 12 nautical mile limit.

Ports and marinas

The Crown Estate does not typically manage ports, marinas or moorings directly but instead leases land for their development and management. Not all facilities are on Crown Estate land but in Wales those that are include Milford Haven, Conwy, Pwllheli and Deganwy.

Offshore wind energy & marine renewables

The Crown Estate has brought forward sites for offshore wind farm development in Wales. These include North Hoyle, Rhyl Flats, Scarweather Sands and Gwynt y Môr (13km off Llandudno).