

# Creating lasting and shared prosperity for the nation



Year in review  
2022/23

**THE CROWN  
ESTATE**

## What we do

The Crown Estate is a significant national landowner creating financial, environmental and social value for the nation, both for now and for the long term.

Our £16 billion portfolio includes urban centres and development opportunities; one of the largest rural holdings in the country; an estate across Regent Street and St James's in London's West End; and Windsor Great Park. We manage the seabed and much of the coastline around England, Wales and Northern Ireland, playing a major role in the UK's world-leading offshore wind sector.

Our focus is on delivering three strategic objectives - climate resilience and energy security, thriving communities, and nature recovery. Through these we aim to address national needs where we are best placed to draw on our unique combination of strengths and support economic growth and equality of outcomes.

The Crown Estate is a unique business. Our history goes back to 1760 when George III agreed to surrender to Parliament the net income from Crown lands and hereditary revenue in return for a fixed annual payment. Set up by an Act of Parliament, and occupying a space between the public and private sectors, we act independently and commercially to grow the value of the portfolio for the nation. A company for the country, all of our net revenue profit goes to the Treasury for the benefit of the nation's finances. This has totalled more than £3.2 billion over the last ten years.



## Our strategy

Guided by our purpose and rising to today's challenges, our strategy leverages our uniqueness and diverse portfolio

### DRIVEN BY A CLEAR PURPOSE

To create lasting and shared prosperity for the nation.

### DRAWING ON OUR UNIQUE STRENGTHS AND CULTURE

Our unique status and position are a source of strength - there are few trusted public-private businesses in the UK that are investing for the long term and in the national interest.

Our values are the guiding principles that define our culture in order to bring our purpose to life.



#### Caring

We are committed to looking after the world around us and each other.



#### Together

We work together and with others to deliver on our purpose.



#### Creative

We believe that creativity enables us to unlock new ideas and solve problems.



#### Impactful

We believe that positive impact and financial performance must go hand in hand.

### ADDRESSING NATIONAL NEEDS

Energy security and net zero

Economic growth and productivity

Growing pressure on urban centres

Biodiversity loss and nature recovery

### USING OUR BUSINESS UNITS TO DELIVER



Marine



London



Regional



Windsor & Rural

### OUR STRATEGIC OBJECTIVES

#### Striving for equality of outcomes

Be a leader in supporting the UK towards a net zero carbon and energy-secure future.

Help create thriving communities and renew urban centres in London and across the UK.

Take a leading role in stewarding the UK's natural environment and biodiversity.

### CREATING VALUE FOR THE NATION

Our strategy will help deliver an ambitious set of long-term national outcomes, which can support the national policy agenda, drive economic growth, and support improved productivity through all our activities to maximise returns to the Treasury.



Financial



Environmental



Social



Enabled value

# The Crown Estate exists to create lasting and shared prosperity for the nation - we are a company for the country



At the heart of The Crown Estate lies a set of core duties - to grow the value of the portfolio into perpetuity and return the income to the Treasury, for the benefit of the nation, its finances and its future. Our unique set up, established through an Act of Parliament to operate independently and commercially, means that there is nothing else quite like us.

We occupy a space between the private and public sectors, working to create broad financial, environmental and social value both now and for the long term. Put simply, we have been set up to serve the country and today we express this core responsibility through our purpose to create lasting and shared prosperity for the nation.

Bringing this purpose to life, we have a significant and diverse portfolio that, cared for and used properly, provides a powerful opportunity to help address some of the most pressing challenges facing the country today. The world around us continues to be characterised by uncertainty and volatility, requiring us to rethink how we use land and property, including the seabed and waters around us.

This responsibility is reinforced by the economic challenges facing the country, the cost-of-living crisis and the acute pressures on individuals and families. Where we can make a significant difference through our remit and capability, we will. This year we have been able to take significant steps and make strides in our strategy, to ensure we continue to play our part and deliver value for the nation.

We are building from a track record of generating more than £3.2 billion for the nation's finances over the last decade, drawing on a portfolio that has more than doubled in value over that time to £15.8 billion.

This year we have posted a record net revenue profit of £442.6 million for the benefit of public spending. This achievement is a result of our hard work realising the Agreements for Lease for six offshore wind projects under our Round 4 leasing programme, and the underlying strength and resilience of our diverse portfolio.

The diversity of our portfolio gives us the breadth to apply learning from one area of our business to another. Whether that's integrating renewable energy solutions, designing district heating systems or creating new jobs and skills opportunities - each part of our portfolio has developed critical skills and experience that can be shared with others. We have the opportunity to think beyond the confines of a single industry. This systems thinking is vital to solving the complex problems that we increasingly face as a country, impacting each and every one of us.

Everything we are working towards can only be achieved through genuine partnerships. Our scale and distinctive set up enable us to bring people and organisations together. Through harnessing the power of diverse voices and perspectives we can galvanise groups to find new solutions to collective challenges and realise opportunities.

The years ahead are uncharted territory for all of us. At times progress will be challenging and we know we won't get everything right all of the time. However, by working with our stakeholders and remaining steadfast in our commitment to deliver financial, environmental and social value, I believe The Crown Estate will play an ongoing and vital role in continuing to serve and benefit the country, both today and for generations to come.

**Dan Labbad**  
Chief Executive

## Stakeholder voices

Working with our stakeholders is fundamental to our strategy



**“The Crown Estate is about doing the right thing - and they follow their ‘prosperity for the nation’ purpose in everything they do. Not just from the outside, but from the inside too. After my internship, as part of the #10000BlackInterns, I joined the company full time. For me, it’s a great place and full of really good opportunities.”**

**Esther Adenuga**  
People Experience Coordinator  
The Crown Estate



**“Through our work with The Crown Estate we’ve been exploring how to leverage meaningful social impact opportunities presented through the renewed strategy. We’re excited about this work accelerating over the coming year as we determine the right approaches that will result in greater environmental and social outcomes for the long term.”**

**Helen Goulden OBE**  
Chief Executive Officer  
The Young Foundation



**“Wrth inni anelu at Sero Net, rydym yn gweithio mewn partneriaeth â Llywodraeth Cymru, Cyfoeth Naturiol Cymru a rhanddeiliaid ehangach i ddatgloi gwerth yr adnoddau naturiol er budd Cymru a thu hwnt ac ar gyfer cenedlaethau’r dyfodol.”**

**“As we strive towards net zero, we are working in partnership with the Welsh government, Natural Resources Wales and wider stakeholders to unlock the value of the natural resources for the benefit of Wales and beyond for future generations.”**

**Rebecca Williams**  
Cyfarwyddwr Cymru/Director Wales  
The Crown Estate

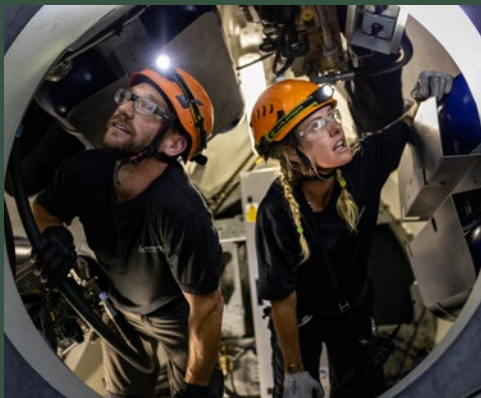


**“RASE are pleased to be working in partnership with The Crown Estate to address how the Farm of the Future can balance land use across England to enable food and energy production alongside emissions management, carbon sequestration and biodiversity.”**

**David Grint**  
Chief Executive Officer  
Royal Agricultural Society of England and  
Innovation for Agriculture

## Our business at a glance

We own and manage land on behalf of the nation – in our cities, across the countryside and on the seabed



### Marine

Unlocking the potential of our seabed, sea and coastline to support the nation's transition to a resilient, sustainable and decarbonised future.

#### Revenue

**£377.9m**

(2021/22: £133.3m)

#### Portfolio value

**£5.7bn**

(2021/22: £5.0bn)

**c. 11m**

Homes provided with green electricity from across our seabed holdings



### London

Ensuring London retains its global city status by fostering a greener, more vibrant and inclusive destination for millions of visitors and businesses.

#### Revenue\*

**£222.6m**

(2021/22: £221.2m)

#### Portfolio value

**£7.2bn**

(2021/22: £7.7bn)

**644**

People attended our London hospitality and retail job fairs, resulting in 110 job offers

All financial figures are prepared on a proportionally consolidated basis. Balance sheet-related items are as at 31 March of each year.

\* Excluding service charge income of £41.6m (2021/22: £35.6m).

Explore our assets online at:  
[thecrownestate.co.uk/asset-map](https://thecrownestate.co.uk/asset-map)



## Regional

Identifying and creating opportunities for thriving and resilient communities across the country to support regeneration, housing and innovation.

Revenue\*  
**£105.5m**  
(2021/22: £102.7m)

Portfolio value  
**£1.5bn**  
(2021/22: £1.7bn)

## 1st

Rushden Lakes awarded Modeshift STARS Silver award for its sustainable travel plan, a first for a retail and leisure site



## Windsor & Rural

Supporting the sustainable transformation of land use through diversified, regenerative agricultural and environmental best practice alongside a thriving natural world.

Revenue  
**£36.6m**  
(2021/22: £33.6m)

Portfolio value  
**£1.4bn**  
(2021/22: £1.2bn)

## 1st

Windsor Great Park topped ALVA's most visited attractions in 2022 with 5.6 million visits

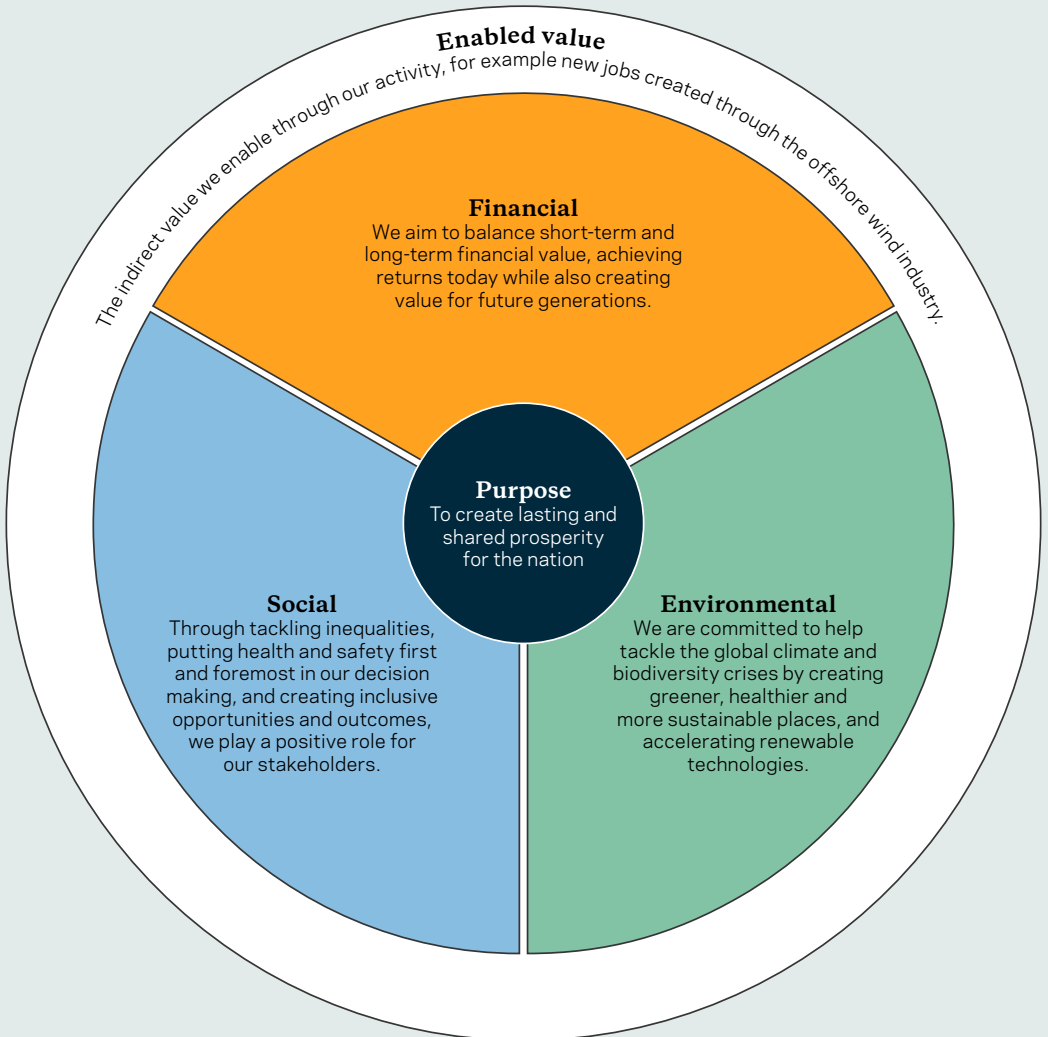
All financial figures are prepared on a proportionally consolidated basis. Balance sheet-related items are as at 31 March of each year.  
\* Excluding service charge income of £41.6m (2021/22: £35.6m).

## How we measure value

# Creating lasting value for the nation

## Our Value Creation Framework

Our Value Creation Framework seeks to set out and measure the direct financial, environmental and social value we create, alongside the wider value we can enable, in pursuit of our purpose.





## Our year in numbers

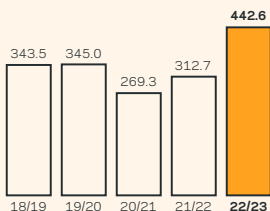
Financial, environmental and social performance highlights for the year ended 31 March 2023

### Financial

Net revenue profit

**£442.6m**

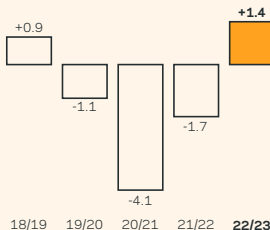
Underlying revenue profit  
£643.1m (2021/22: £365.4m)



### Capital performance

**1.4** percentage points

Outperformance of our bespoke MSCI commercial property annual benchmark



### Environmental

Absolute energy consumption

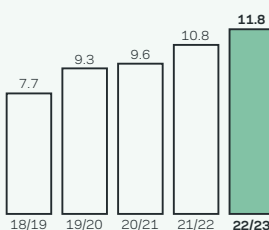
**95.9GWh**

Reduction of 1.5% to 95,891MWh from 97,348MWh for 2021/22 (restated)

### Cumulative operational offshore wind capacity

**11.8GW**

Enough to power around 11 million homes

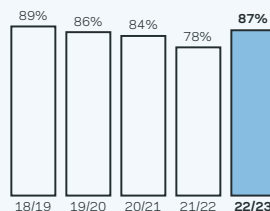


### Social

Employee engagement

**87%**

Of employees think The Crown Estate is a great place to work



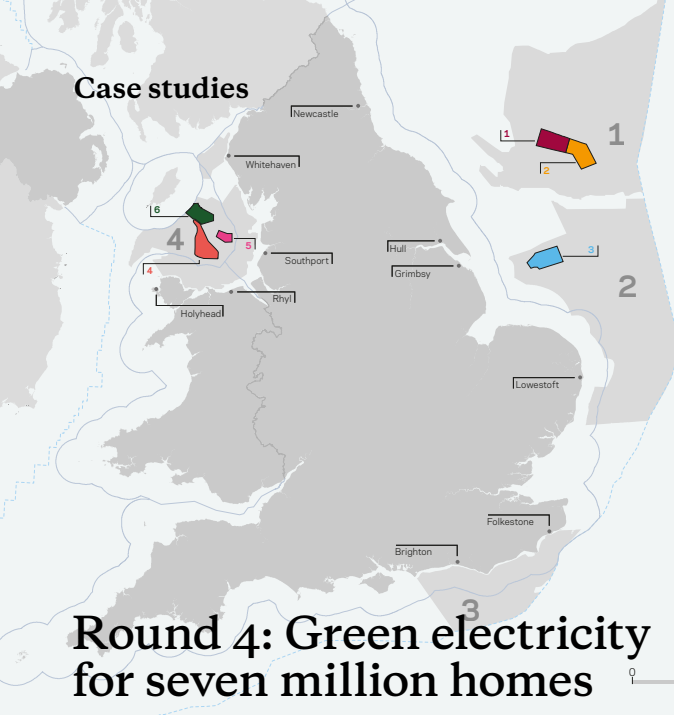
### Lost Time Injury Frequency Rate

**0.34**

Achieved a reduction of 44% from 0.61 in 2021/22

All financial figures are prepared on a proportionally consolidated basis. Balance sheet-related items are as at 31 March of each year.

## Case studies

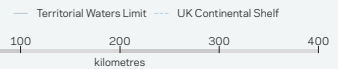


### Offshore Wind Leasing Round 4 projects

1	Dogger Bank South (West) - RWE Renewables 1500 MW capacity
2	Dogger Bank South (East) - RWE Renewables 1500 MW capacity
3	Outer Dowsing - TotalEnergies and Corio Generation, a portfolio company of the Green Investment Group 1500 MW capacity
4	Mona - Consortium of EnBW and BP 1500 MW capacity
5	Morecambe - Morecambe Offshore Windfarm Ltd, a joint venture between Cobra Instalaciones y Servicios, S.A. (Cobra) and Flotation Energy Ltd. 480 MW capacity
6	Morgan - Consortium of EnBW and BP 1500 MW capacity

### The four seabed Bidding Areas

1	Dogger Bank	3	South East
2	Eastern Regions	4	Northern Wales & Irish Sea



# Round 4: Green electricity for seven million homes

In January 2023 we signed leasing agreements for offshore wind projects that have the potential to power more than seven million homes, a significant milestone in the nation’s energy security and decarbonisation.

Offshore Wind Leasing Round 4 will lead to the creation of new offshore wind farms off the North Wales, Cumbria and Lancashire coasts, and in the North Sea off the Yorkshire and Lincolnshire coasts (see map above), with the potential to generate around 8GW in capacity.

Our investment in cutting-edge data and evidence, as well as a commitment to increasing collaboration across sectors, has paved the way for the development of a world-class offshore wind market in the UK. We have awarded rights totalling 41GW and established one of the most attractive places globally to invest in the industry.

With Round 4 Agreements for Lease signed, developers can now progress their plans which have the potential to make a major contribution to delivering sustainable energy for the UK and the government’s target of 50GW of offshore wind capacity by 2030.

**“We’re at the forefront of the offshore wind industry. Our remarkable progress to date speaks to the immense collaboration, investment and innovation across so many partners – and their willingness to embrace risk and uncertainty. Together, we must all work for the future of the seabed, one where biodiversity and sustainable development go hand in hand.”**

**Olivia Thomas**  
Head of Marine Planning



## A sustainable future for heritage buildings

We are stewards of some of the most iconic historic buildings in London. These buildings – as well as many across the country – play an important role in national life. They connect us to our past, bring character to our streets and are central to civic pride.

While these buildings were created using the innovations of their day, they now represent significant challenges to meet modern sustainability standards. This has major consequences for the UK government to meet its commitment to achieve net zero by 2050, with nearly a quarter of all UK homes and almost a third of commercial properties categorised as historic buildings (built prior to 1919).

Together with our partners – Grosvenor, Peabody, Historic England and the National Trust – we have demonstrated that this challenge will require new skills and a workforce of 205,000 to

focus solely on retrofitting historic buildings every year from now until 2050. This is more than double the number of workers we estimate currently have the necessary skills.

In this challenge lies a major opportunity. We also estimate that mobilising to meet this challenge would generate £35 billion of output annually, support 290,000 jobs, while delivering more efficient homes that are less expensive to heat. Despite this, the UK does not currently have a joined-up strategy for tackling the energy efficiency of its historic buildings.

We are determined to use our resources and experience to play our part, working alongside the UK government, industry and civil society to seize the opportunities presented by the transition to a low-carbon future. As a group of organisations, we are passionate about the historic built environment and the health and wellbeing of the people who live in, work in and visit it.

**“We must rise to one of the UK’s biggest net zero transition challenges – decarbonising historic buildings and ensuring they are future-fit. By acting now we can turn a major risk into an opportunity.”**

**Anna Swaithes**  
Head of Sustainability

 Read our partnership research report ‘Heritage Carbon: Addressing the Skills Gap’ at: [grosvenor.com/heritageandcarbon](https://www.grosvenor.com/heritageandcarbon)



## An innovation district for Cambridge

Cambridge Business Park is in a strategic location central to the emerging North East Cambridge Area Action Plan, as well as close to one of the world's leading science and research universities. This presents a major opportunity to transform the area into a leading innovation district that contributes to local and national economic renewal.

The government has ambitions for the UK to become a science and technology superpower by 2030. To do this, it must compete with its more productive international rivals in providing high-quality commercial space, funding cutting-edge research, and attracting world-class talent.

By using our unique position to bridge the gap between the public and private sectors, we believe we can galvanise the right partners around our vision for Cambridge Business Park.

We have been working with our existing customers, adjacent landowners, local community groups and the local council to determine how we can all align to make the most of this opportunity for north-east Cambridge.

Our vision for the site is to create a place where innovation, communities and nature thrive. Central to this is a sustainable, inclusive and innovative scheme, with each facet supporting the others to lead Cambridge and the UK into the future.

Through better commercialising university and UK research, Cambridge Business Park can become a vibrant place for businesses within knowledge-sector industries to innovate and thrive. We are seeking to ignite an ecosystem that supports all stages of company life-cycles alongside lively, high-quality public realm, including a new District High Street, biodiverse greenways and innovative sustainable mobility hubs.

**“There’s an opportunity for Cambridge to be central to the UK’s innovation ambitions. At The Crown Estate we want to be part of creating an ecosystem where businesses, communities and nature can flourish to lead us into an exciting future.”**

**Matthew Sampson**  
Regeneration Director



## Wales's first regenerative seaweed and shellfish farm

Câr-y-Môr, a community benefit society, is paving the way for sustainable and environmentally friendly commercial aquaculture, while being at the heart of its local community.

We are seeing increasing interest in opportunities for seaweed farming and regenerative aquaculture more generally around Wales, demonstrating the growing awareness in the potential of seaweed-based products in food, packaging and fertiliser.

Granted a licence for a three-hectare site in Ramsey Sound, North Pembrokeshire, Câr-y-Môr aims to create a regenerative ocean farming model – using no fresh water, land, feed or fertilisers – that other farms can replicate in the future. This approach restores ocean ecosystems as well as storing carbon dioxide, providing a viable solution to climate change and food shortages.

As the first community-owned regenerative ocean farm in Wales, it supports wellbeing through sustainable jobs and learning opportunities.

Commercially, Câr-y-Môr sells its produce through its shop and online store, with products ranging from seaweed granola to fresh mussels, from dried sea spaghetti (dried foraged seaweed) to Pembrokeshire lobster. The farm also supplies seaweed wholesale for 2022 Earthshot prize winners Notpla, a sustainability start-up which uses seaweed to create a viable alternative to plastic packaging.

**“Câr-y-Môr shows how we can generate all kinds of value from precious natural resources; it’s a business that’s at the heart of its local community with the sustainability of the ocean central to its mission.”**

**Caroline Price**  
Senior Development Manager  
Habitat Creation

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## 2022/23 Year in review

 Our Annual Report and Accounts 2022/23 and supplementary reports can be downloaded at: [thecrownestate.co.uk/annual-report-2023](https://thecrownestate.co.uk/annual-report-2023)



## Photography credits

### Cover

Ben Barden Photography Ltd

### Page 10

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### Page 11

Image taken with support of Câr-y-Môr,  
[carymor.wales](http://carymor.wales)

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