

Building in Partnership

THE CROWN
ESTATE



With a property portfolio covering UK cities, ancient forests, farms, parkland, coastline and communities, The Crown Estate's role as an employer, influencer, manager, guardian, facilitator and revenue creator is unique. Our primary objectives are to maximise our revenue - which is paid entirely to the Treasury for the benefit of all UK taxpayers and to enhance the value of our estate.



Christopher Bouchier
Director of the Rural Estate

At The Crown Estate we actively pursue development opportunities on our estates and make property sales, purchases and transactions valued at millions of pounds every year. We are, however, acutely aware of our responsibilities as a landowner and developer and at all times observe a high standard of estate management.

Foreword

Our objectives and responsibilities are reflected in our core values of commercialism, integrity and stewardship: values that guide the way we do business. These underpin our ongoing approach to acting as a responsible corporate body: one that balances commercial business concerns with good management of the environment and the many historic assets with which we are entrusted.

Attitudes towards planning, building and environmental challenges are undergoing a period of unprecedented change. Government policy and public opinion now place ever-greater emphasis on the importance of climate change, strong communities, building quality and infrastructure. At the same time, our growing and ageing population has led to an increasing demand for new homes. This is reflected in turbulent housing markets and the challenging house-building targets set by central Government to meet future needs. Our partners in business and in Government need to know where we stand on such issues and this report outlines our response to these challenges.

'Building in Partnership' sets out how, both in principle and in practice, we balance commercial development with stewardship of the land. It is our aim that the principles set out in this document will form the foundation for building stronger relationships with our development partners, including national, regional and local government and organisations (such as the Environment Agency and English Heritage), who are often closely involved with our projects.



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The Crown Estate

The Crown Estate is an actively managed £7 billion portfolio, including significant blocks of urban property, substantial marine assets and agricultural land in England, Scotland and Wales.

Under The Crown Estate Act 1961, The Crown Estate has a duty to maintain and enhance the capital value of the estate and the income obtained from it. Our revenue surplus in 2007/08 amounted to over £211 million, which was paid directly to the Treasury for the benefit of all UK taxpayers.

The Crown Estate's rural estate is one of the largest in the UK. Valued at over £900 million (13 per cent of the total property value of The Crown Estate), the estate comprises a broad range of interests including approximately 110,000 hectares (270,000 acres) of agricultural land, 11,000 hectares (27,000 acres) of forestry and mineral rights covering about 115,000 hectares (285,000 acres).

The marine estate includes more than 55 per cent of the UK's foreshore, tidal riverbeds and almost all the seabed to a 12 nautical mile limit. In this context, The Crown Estate is responsible for helping deliver the UK's offshore renewable electricity capacity.

The urban portfolio comprises one of the largest office and retail estates in London - including almost all of the property in London's Regent Street - business and retail parks across the UK and over 1,300 affordable housing units.

Executive summary

We believe the unique nature of our organisation and its diverse portfolio demand that we set a high standard in the management and development of our assets. We know that the decisions we take about what is built on our estate and how it is built will have a lasting impact on individuals, communities and the shared landscape of the UK for years to come.



In the following pages, we give an indication of how our core values - commercialism, integrity and stewardship - govern the way we conduct business. A series of case studies then illustrate these principles in action.

In taking a long-term view of landholding we appreciate the importance of delivering balanced, sustainable development that accommodates the needs of local communities and enhances the environment. The developments at Butterfield (page 10) and Burnhill Green (page 14) provide tangible examples of this.

Embracing the principles of sustainability in our operations, we work consistently to improve the conservation, heritage and future viability of the natural and built environment. These principles are set out in Section 4: The environment and Section 1: Sustainable development, and are exemplified in our redevelopment of Regent Street in London (page 13).

It is only by listening to the views of local communities that we can understand and accommodate their specific needs when undertaking development. We value strong and healthy communities and ensure that residential developments delivered on our land focus on creating mixed use, 'walkable' neighbourhoods that are safe and welcoming, with robust infrastructure and the right facilities for everyday 21st century life. In Section 2: Strong and vibrant communities, we set out our approach to local environments, communities and to working closely with residents and local authorities.

Our long-term approach to our holdings is reflected in the developments we promote. Our designs are aspirational and provide buildings that can be appreciated and cherished for generations to come. In Section 5: Building quality, we set out the principles we demand of developers in terms of building design and quality and provide case studies of some of the most successful and innovative projects brought forward on our land.

The Crown Estate leads the way in many aspects of development and estate management and works with business partners that aspire to the same high standards that we do. We recognise the need to work with others to deliver schemes that will generate a sense of pride in future generations. We have a strong track record of working in partnership and this is set out in Section 3: Working in Partnership. This provides examples of some of our successes, ranging from major regeneration on The Isle of Sheppey, in partnership with the South East England Development Agency (page 30), through to a smaller scale renovation of the Tithe Barn, a community facility on our estate at Dunster on the edge of Exmoor (page 31).

Support for communities goes beyond simple regeneration and investment schemes. On a number of our estates The Crown Estate has taken steps to support the local economy more directly, for example partnering with local businesses to jointly fund rural investment projects. Section 6: Supporting the rural economy, sets out the principles that inform our choices on where and how to invest, providing some tangible examples.

Sustainable development

Delivering sustainable development is about addressing economic, social and environmental issues in an integrated and holistic manner. We recognise the need to mitigate climate change and at the same time support the growth of strong and healthy communities.



Sustainable development

Across the country, we establish constructive partnerships with customers, tenants, agents and local political authorities to improve our estates through investment in sustainable developments. We recognise the crucial importance of climate change as an issue in the 21st century and are adapting our business activities and operations to mitigate its impact. Flood risk and energy management are two critically important elements of sustainable development.

To mitigate flood risk we avoid bringing forward land for development in areas deemed at risk. We undertake flood risk assessments providing, where necessary, appropriate compensatory measures and innovative urban drainage techniques, such as those employed at our Mill Hill development in Bingham, Nottinghamshire.



Sound carbon management practices can be seen across our estates. We are maximising the use of renewable energy in many areas and implementing a carbon management strategy to respond to climate change across our entire portfolio. Examples include the use of a passive earth duct ventilation system at Butterfield in Bedfordshire and our plans for a pioneering CHP (Combined Heat and Power) central energy system able to run on hydrogen fuel in one of our largest mixed-use developments, The Quadrant on London's Regent Street.

We are at the forefront of sustainable building and there are many examples where we have achieved building standards well in excess of minimum regulatory requirements. We require residential developments to meet increasingly high standards and are working with the Homes and Communities Agency to bring forward commercially viable low carbon developments.

We promote designs that will stand the test of time, demanding high standards from our development partners who are required to work to our design briefs. For example, in residential developments such as Burnhill Green near Wolverhampton, where we have received planning permission for ten new homes that will conform to level 3 of the Code for Sustainable Homes.

We understand that development must be approached in a holistic manner to ensure good access to jobs, shops, public transport and community services. Where appropriate, we prepare green travel plans to encourage the use of public transport, walking and cycling on our residential and office developments.

Across our estates our investment activities are supporting economic growth, whether through assistance to small businesses or through large employment developments. These developments provide job opportunities that contribute significantly to regional and local economies. Through these approaches and our work with partners, The Crown Estate is setting new standards in sustainable development.



Butterfield, Luton

'The Village' at Butterfield, in Bedfordshire, is the first phase of an office complex which will create a sustainable, environmentally sound development that blends with its natural environment. The Crown Estate worked in close partnership with Butterfield Land and Luton Borough Council on the project.

New habitats and promotion of biodiversity were planned into the development. Mature hedgerows and boundary woodlands complement newly-planted wildflower meadows and grassed areas, intertwined by footpaths and cycle ways. An efficient, integrated drainage system provides natural wildlife habitats that will stimulate biodiversity.

The office buildings are among the first in the UK to incorporate a passive 'earth duct' ventilation system: air is drawn through a network of buried pipes spreading up to 80 metres around the park. This reduces energy use by up to 75 per cent and improves air quality by reducing carbon emissions. The buildings are orientated to optimise natural light, whilst reducing overheating with solar shading. An energy efficient infra-red lighting system provides 'only for working' illumination.

“ The Crown Estate and its partners chose Easter Group to bring their environmentally-responsible business and technology park to reality at Butterfield. We have enjoyed working on the project and are proud to have been so closely involved in delivering one of the first UK office buildings to incorporate an innovative earth duct ventilation system.

Mike Forster, Development Director at Easter Group

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Spencers Park

Spencers Park comprises 37.2 hectares of agricultural land on the north eastern edge of Hemel Hempstead in Hertfordshire. The land is owned by The Crown Estate and the Homes and Communities Agency (formerly English Partnerships). Twelve hectares of the site is allocated in the adopted Dacorum Borough Council Local Plan for residential development.

The Crown Estate worked closely with English Partnerships and the local authority to produce a site development brief for the first phase of the residential development. Setting out the design framework and development aims for the land, this development brief was created to ensure delivery of a comprehensive and well co-ordinated scheme that considers the natural features and assets of the site along with the principles of sustainable design and construction set out in the Council's local plan.

We are now preparing an outline planning application for residential development. Proposals include 350 residential units with associated community facilities: around 50 per cent of these homes will be affordable housing.

The initiative will be sensitive to the needs and aspirations of the local community and will also raise environmental standards by achieving Level 3 of the Government's Code for Sustainable Homes.

“ The Homes and Communities Agency sees The Crown Estate as a responsible landowner capable of delivering much-needed housing stock for families across the UK. Its approach to bringing forward sustainable new schemes in partnership with local communities, businesses and developers should be commended.

Sir Bob Kerslake, Chief Executive
the Homes and Communities Agency

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Regent Street redevelopment

London's Regent Street, owned in its entirety by The Crown Estate, is home to around 500 businesses that employ an estimated 10,000 workers. With this two kilometres of street frontage and around 4 million square feet of shopping space, The Crown Estate has, for the last five years, been implementing a £750m investment and redevelopment programme to prepare Regent Street for the next 100 years.

This programme has, as a priority, preserved Regent Street's heritage and history, by retaining its historic, Grade II listed façades. In parallel, it has also delivered significant improvements to Regent Street's public realm - through measures such as pedestrianisation - and updated and modernised the Street's buildings to provide high quality retail, office and residential accommodation. Regeneration works so far have attracted international stores, restaurants and hoteliers and gained the support and admiration of the local community and wider stakeholders.

“ The Crown Estate's portfolio contains a wealth of buildings of considerable architectural and historic interest. The Crown Estate is fully aware of its responsibility to both preserve and enhance this wonderful legacy for the benefit of future generations whilst ensuring that they continue to make a vital contribution to the economic life of the capital. English Heritage enjoys a close working relationship with The Crown Estate and we are impressed by their imaginative approach to both conservation and new design.

Paddy Pugh, Director of Planning and Development,
London Region, English Heritage

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Burnhill Green

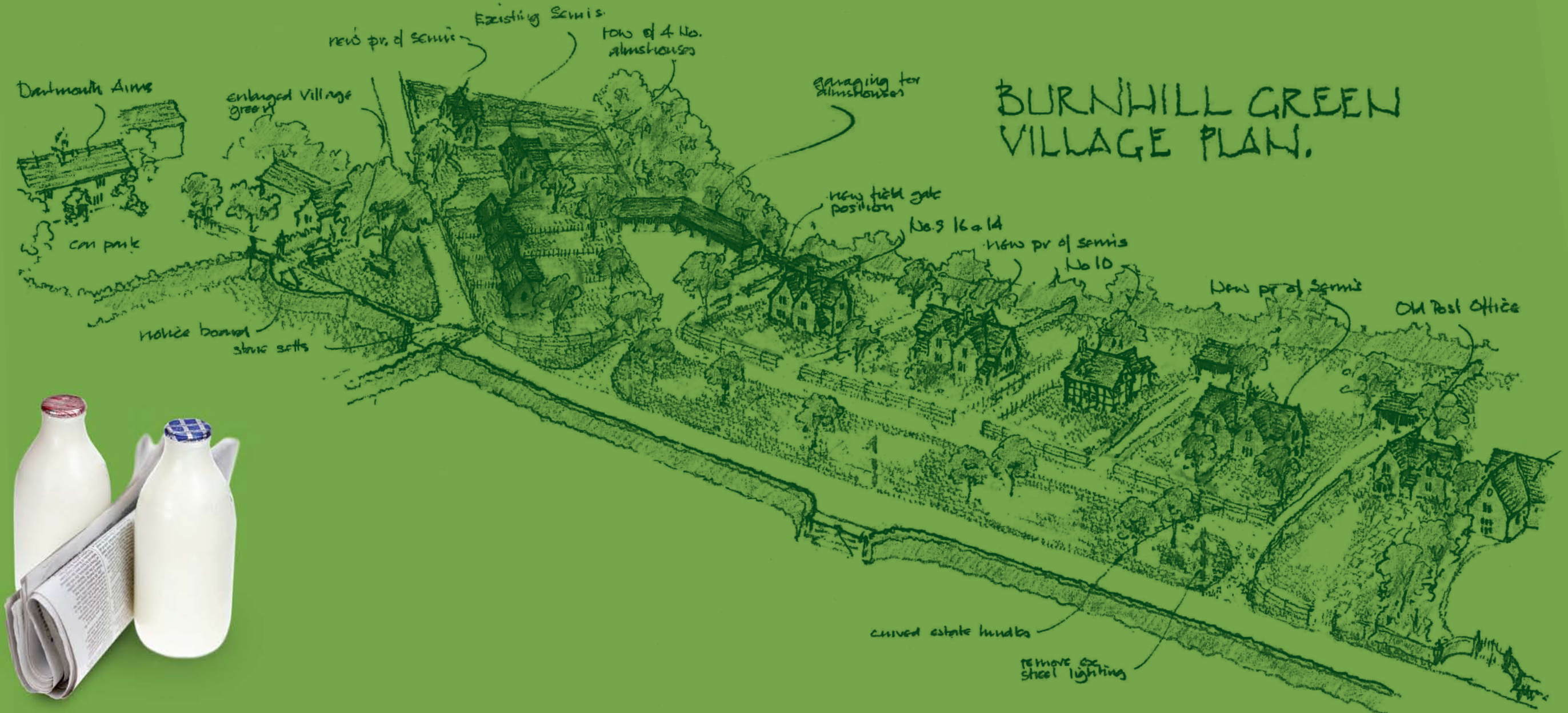
Located on the Patshull Estate, near Wolverhampton, Burnhill Green is a village where The Crown Estate has recently received planning permission for ten new homes. The development will be of a very high quality, designed to conform to the village's established Dartmouth style using local brick, clay tiles, traditional window casements and oak framed porches.

The area in front of the properties will put the village 'green' back into Burnhill Green. The development will also conform to Level 3 of the Code for Sustainable Homes and as part of this will incorporate exceptional insulation and renewable energy technology. Detailed consultation was undertaken with both the planning authority and the local community to ensure the development meets the needs of the village.

Four of the homes at Burnhill Green will be affordable housing - to be managed directly by The Crown Estate. In addition, all will conform to the Government's Lifetime Home standard. A Lifetime Home is one that is carefully designed to be flexible enough to accommodate people's changing circumstances.

“ The Burnhill Green development will help transform our area for the better. I have been particularly impressed with The Crown Estate's approach to working with our planning authority and to listening to the views of local residents; they have consistently shown that they understand the needs of the community. ”

Cllr Mrs Joan Burton MBE, South Staffordshire Council



Strong and vibrant communities

We recognise the important role our developments play in creating and nurturing strong and healthy communities that provide a high quality of life for all. We also know it's important to engage local communities in development proposals; their views are critical in helping shape the delivery of spaces where people will want to live and work both now and in the future.

Strong and vibrant communities

Whether establishing a new settlement or an urban extension, we support strong and stable communities by integrating social, economic and environmental aspects into our designs to ensure we meet the diverse needs of residents and businesses alike.

Vibrant and thriving communities play an important role in our estates and we want to contribute to their vitality. We work closely with existing communities, local authorities and parish councils, sharing ideas with stakeholders and encouraging the involvement of local residents. Through these collaborative working practices, we are able to create designs that are sensitive to local opinion and able to form the basis for new developments of which all involved can be proud.



To deliver safe, mixed communities with good access to jobs and key services, we demand innovative approaches in design. We look not just at the design of individual buildings but holistically at the design of whole neighbourhoods. We support opportunity for people from all walks of life by working with local authorities and housing providers to create developments that meet local needs, for example, providing appropriate levels of affordable housing.

The principle of providing appropriate infrastructure to support new development is at the heart of our approach to schemes across the UK. Our role in establishing the Bingham Community Chest (page 20) is an excellent example where we have made a significant financial investment to help provide infrastructure such as schools, health care, transport improvements and recreation and community facilities to support development.

As a major investor in both urban areas and rural communities, we are keen to reward best practice. Our support for the Royal Town Planning Institute's 'Sustainable Communities' award is a good illustration of this commitment.



Bingham Community Chest

The Crown Estate has worked with developers in Bingham, Nottinghamshire, to develop high quality, new, sustainable housing. Liaison with Rushcliffe Borough Council and Bingham Town Council has helped ensure the community's views on design and provision of related community facilities have been accommodated wherever possible.

Alongside this, The Crown Estate, in partnership with community representatives, established the Bingham Community Chest, an innovative approach to helping provide community facilities. Appropriate new developments make financial contributions to a central fund - the Bingham Community Chest - which is managed by the borough and town councils, who decide how the funds are spent.

Funds are used to benefit the community, for example, by funding infrastructure such as schools or a health centre, community facilities for youth groups and the elderly. We also paid for environmental enhancements and safety schemes, such as landscaping and CCTV and for recreation facilities including sports pitches and play areas.

Contributions to the Bingham Community Chest have totalled over £1.25 million since the scheme's inception in 2003. The Community Chest demonstrates The Crown Estate's strong commitment to supporting local communities and ensuring developments on our land bring benefits through new and enhanced social and community facilities.



Promoting best practice in sustainable communities

At The Crown Estate we believe that as well as delivering sustainable communities ourselves we should be promoting industry best practice and learning from it. So we are proud to have sponsored, for the last five years, the 'Sustainable Communities' award at the Royal Town Planning Institute's annual awards.

Since 1978 the awards have celebrated outstanding achievement in town and country planning and celebrate the planning profession's contribution to the quality of life throughout the UK. The awards look beyond physical outcomes to recognise innovative plans, processes, techniques, information systems, programmes of community involvement and improvements to public services.

Our 2008 award was presented to two local authorities that demonstrated real vision and imagination. The first was to South Dublin Council for plans to develop a highly sustainable new urban community of 10,000 homes at Adamstown. The quality and scale of the project should make it a model for the development of major new settlements elsewhere.

The second winner was Hambleton District Council for its 'Taking planning out of policy and in to the community' initiative. The Council created a highly imaginative and successful educational resource to engage schools and young people in the planning process and to demonstrate how it can help the development of sustainable communities.

“When it comes to planning and development The Crown Estate has a good track record. It has an enviable reputation for endeavouring to be sensitive to both local concerns and traditions, while ensuring that projects address the needs of modern society. The Crown Estate's long-standing and generous sponsorship of our 'Sustainable Communities' award has for many years helped promote best practice across our industry.”

Rynd Smith
Director of Policy and Communications at the RTPI



Tree planting & environmental education

In 2007, The Crown Estate was involved in a number of projects to promote tree planting and educate young people about agriculture and the environment. To mark the centenary of scouting in 2007, scouts from both sides of the Humber planted new woodland on The Crown Estate's Derwent Estate at Sutton-on-Derwent. This formed part of a nationwide 'Scouts For Trees' initiative organised by the Scout Association and the Woodland Trust.

The Bransburton Scouts and the 16th Scunthorpe Beaver Scouts planted hundreds of native tree species, including rowan, ash and oak trees. They were joined by local school children who will, along with future generations, enjoy watching the new woodland grow from their village primary school, adjacent to the site.

National Tree Week, organised by the Tree Council, is the UK's largest tree celebration and marks the start of the winter tree planting season. Each year up to a quarter of a million people get their hands dirty planting over one million trees.

The Crown Estate has a number of significant forestry estates and we took this opportunity to get young people involved and to educate and inform them about woodland stewardship and the need to expand our forests. School children across the country were invited to take part.

For example, young people from Tomintoul and Glenlivet Primary Schools in the highlands of Scotland, visited our Glenlivet Estate to find out how trees benefit the environment. They were able to take back native broadleaved trees to plant in their own school grounds and alongside a community footpath next to the River Livet. On our Windsor Estate children from the Royal School also helped to sow acorns collected from Windsor oaks.



Glenlivet award

On our Glenlivet Estate environmental considerations are a very high priority. The Estate sits mostly within the Cairngorms National Park and attracts over 100,000 visitors per year. Conservation and tourism projects, community initiatives and landscape enhancements are delivered as part of a dynamic and progressive estate management strategy. Facilities and services for visitors are continually being developed and we encourage new enterprises and activities in keeping with the area's traditional land uses.

We work to protect and enhance the countryside environment and at the same time our strategy supports local employment in agriculture, forestry, sporting, tourism and other land-based activities.

Within Glenlivet, we have encouraged sustainable economic development, backed by significant reinvestment, a policy that has won the Glenlivet Estate several major awards:

- 2008 – received a special award for excellence from the European Landowners' Organisation
- 2008 – had its gold award reconfirmed under the Green Tourism and Business Award Scheme
- 2007 – second place in the 2007 Scottish Thistle Awards for sustainable tourism
- 2007 – highly commended in the 'Your Moray, Your Environment, Awards' for 'Sustainable Forest and Land Management'
- 2006 – winner at the Northern Lights Tourism Awards for best practice in tourism and sustainability.





**THE CROWN
ESTATE**

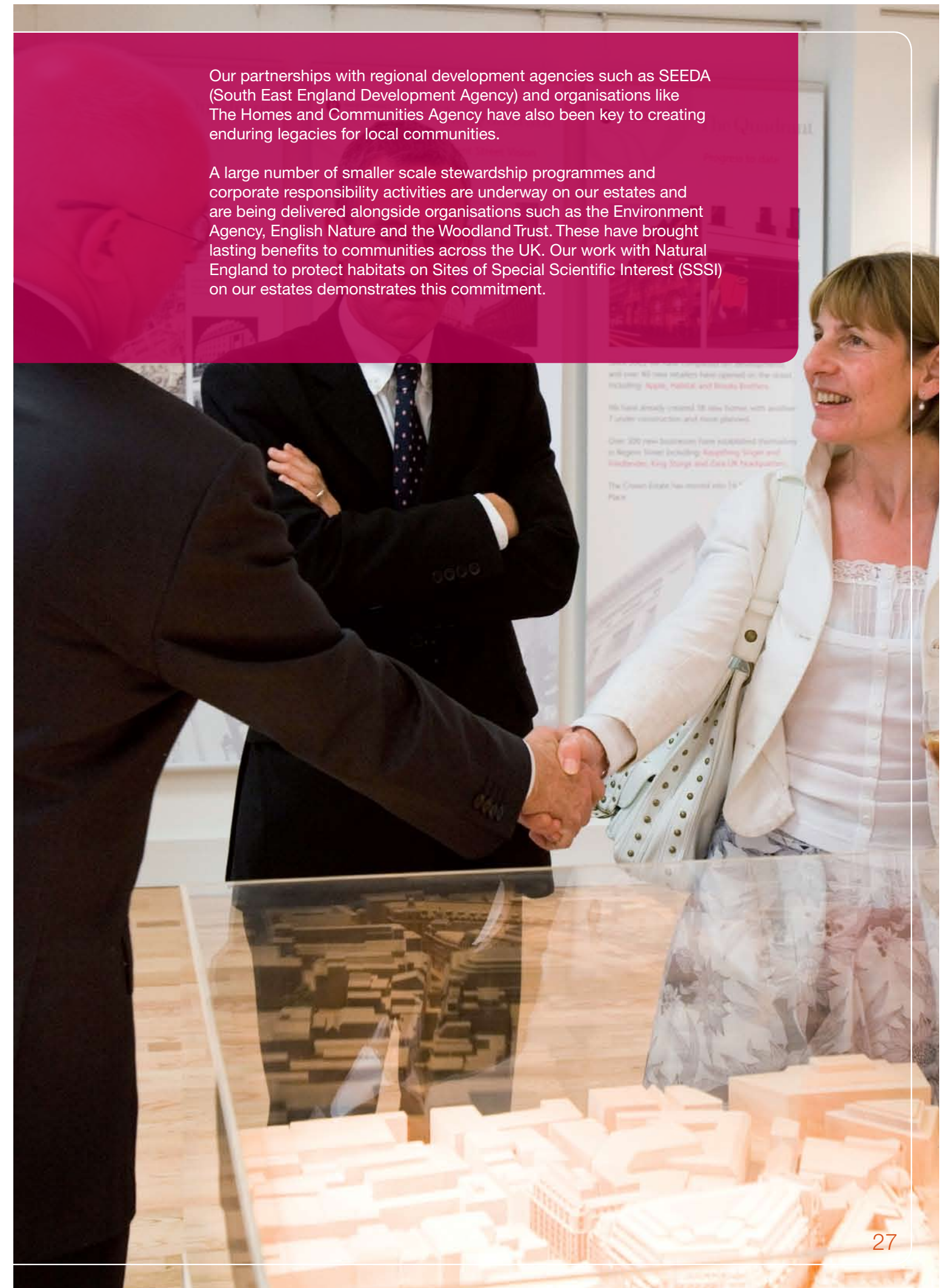
Working in partnership

Strong working partnerships with community and political stakeholders are integral to our approach to delivering successful development projects: projects that are not only commercially viable but also meet the diverse needs of local residents and businesses.

Working in partnership

Working in partnership is fundamental to our approach to development. In bringing forward proposals for large-scale developments of any kind, we always engage in robust consultation at all stages of the planning process. Partnerships, such as those established in Bingham, ensure we make appropriate funding available for additional social and community facilities where development is undertaken.

Our strong working relationships with developers help us ensure high standards in design and construction; we actively manage the process and ensure our development partners adhere to the stringent construction practices and procedures we expect.



Our partnerships with regional development agencies such as SEEDA (South East England Development Agency) and organisations like The Homes and Communities Agency have also been key to creating enduring legacies for local communities.

A large number of smaller scale stewardship programmes and corporate responsibility activities are underway on our estates and are being delivered alongside organisations such as the Environment Agency, English Nature and the Woodland Trust. These have brought lasting benefits to communities across the UK. Our work with Natural England to protect habitats on Sites of Special Scientific Interest (SSSI) on our estates demonstrates this commitment.

**Hemel Hempstead housing sites,
Hertfordshire**

The Crown Estate is working in partnership with Dacorum Borough Council and the Homes and Communities Agency (formerly English Partnerships) to bring forward four housing sites to the east of Hemel Hempstead.

Working with the Council, The Crown Estate has produced development briefs for each of the sites allocated for residential development in the Dacorum local plan.

These briefs outline the context for future development and identify precise design principles. In this way, The Crown Estate can ensure the development will deliver high quality, attractive and well designed housing that respects its surroundings and meets local needs.

The development briefs provide guidance on the provision of public open space and landscaping and also the accommodation of vehicles, pedestrians and cyclists. By targeting sustainable development, The Crown Estate aims to set new standards in the quality and design of new housing in Hemel Hempstead.

Several public consultations were undertaken, including weekend events at local shopping centres and workshops at the village hall, to ensure that the views and wishes of residents were addressed at an early stage.

Development of these sites will take full account of environmental factors and will include a significant proportion of affordable housing to meet the Council's requirements.

“ The Prince’s Foundation and The Crown Estate worked together recently to hold workshops and meetings with councillors and planning officers in Rushcliffe Borough Council to explore the potential for a new sustainable development on its holdings in Bingham and on neighbouring land at the former RAF Newton. This was followed by a series of six public consultation events that attracted over 600 people. It is clear to The Prince’s Foundation that The Crown Estate is committed to a robust and ongoing dialogue with local communities across its portfolio. We fully support this approach and look forward to working with them again in the future. ”

Hank Dittmar, Chief Executive of The Prince’s Foundation for the Built Environment

Manor Farm

Wolfhall Farm and Manor Farm on our Savernake Estate near Marlborough, Wiltshire, are strong examples of where The Crown Estate worked with existing tenants and the local council to support one of our tenant farmers, facilitate investment in local business and develop much-needed new homes.

When Wolfhall Farm became vacant several years ago we saw an opportunity to help Peter Blanchard, our tenant on the nearby Manor Farm. We supported him in moving his dairy herd to Wolfhall’s dairy facilities. We then invested in new silage clamps, a feed store and a workshop to create a more efficient farm for him in a more suitable environment.

At the same time we saw that there was opportunity for residential development of Manor Farm’s buildings, which were empty as a result of Peter Blanchard’s move. The Crown Estate worked closely with the developer and Kennet District Council, to get permission to create some live-work units and five affordable houses.

In 2005, the site was sold to local developers - Hills Homes - with the proviso that they follow The Crown Estate’s detailed, high quality specifications. The development proved extremely popular even before completion and it is widely agreed that it is a real asset to the environment and its community.



Neats Court

As part of a masterplan for regeneration on the Isle of Sheppey, in Kent, The Crown Estate has been working in partnership with The South East England Development Agency (SEEDA) on the regeneration of Queensborough and Rushenden, on its Neats Court Estate.

Supported by Swale Borough Council and Kent County Council, work undertaken includes the development of a new business park and infrastructure, including a new link road to the island. All partners engaged in an extensive consultation, which was rated as exemplary by the Thames Gateway Authority.

The masterplan includes development of a large, mixed-use employment scheme, comprising warehouses, office space and a service station. This will create a significant number of new jobs and the project will mark the most important economic development in the Isle of Sheppey for nearly 40 years.

The Isle of Sheppey has previously suffered from a long period of underinvestment and the current projects have been welcomed by local communities.

“The Isle of Sheppey is undergoing significant change through regeneration. Without the support and cooperation of The Crown Estate on its Neats Court Estate such substantial progress could not have been achieved.”

Nick Young, Senior Development Manager, SEEDA



Dunster Tithe Barn

The 'Tithe Barn' in the Somerset village of Dunster dates back to the 16th century. Owned by The Crown Estate, this landmark building was run down and in need of significant investment. Following the formation of the 'Dunster Tithe Barn Community Hall Trust', significant fundraising enabled a £450,000 renovation project that has seen the building returned to community use. The Crown Estate was pleased to match-fund locally raised money so that the project could be completed to a high standard. We have also donated plants from The Savill Garden and a Windsor oak to assist with the finishing touches for this spectacular community facility.

“The idea of using the Tithe Barn as a Community Hall was first explored in 1981, so 26 years on we are all delighted that it has finally become a reality. The enthusiasm and support of the Dunster community, together with the securing of a large Heritage Lottery Grant and a 99-year lease from The Crown Estate at a nominal rent, were the main factors that ensured that the project was a success.”

Graham Lamacraft, Tithe Barn Management Committee



The environment

The condition of our surroundings has a direct impact on quality of life and the conservation and improvement of the natural and built environment brings social and economic benefits for local communities. As one of the country's largest landowners we recognise the importance of our role as stewards of the environment, preserving its legacy for future generations.

The environment

We are responsible for conserving and maintaining a wide variety of environments. From the seabed and estuaries, to parkland and countryside or city centres across the UK.

Our approach to development places great emphasis on stewardship, maintaining good estate management practices and working in partnership with our tenants, for example, to develop Estate Environmental Plans, to improve biodiversity and complement environmental enhancements across our rural holdings.

To us, high quality design for developments and redevelopments is of paramount importance. We respect local vernacular styles but also encourage innovative approaches to development in appropriate locations. In all cases we expect developments to enhance the local environment.



We operate as an enterprising organisation that achieves consistently high standards, uses resources efficiently, minimises emissions and curbs the production of waste. The agents managing our properties receive guidance on sustainability and their environmental performance is assessed according to The Crown Estate's Environmental Performance Index. For our larger developments we prepare environmental reports and, where appropriate, undertake formal environmental impact assessments to ensure careful scrutiny.

In all that we do we demand high-level protection for our most valued townscapes and landscapes, wildlife habitats and natural resources, especially those with national and international designations. We avoid development in areas at undue risk of flooding and sea-level rise and in many instances, we address climate change through appropriate adaptation of our buildings and with measures to reduce our carbon footprint.

Protection and enhancement of the environment has always been central to the work of The Crown Estate and we continue to deliver high standards and best practice across our holdings.



Energy Efficiency Strategy

An Energy Efficiency Strategy has been developed for The Crown Estate's 1,300 affordable homes in London. This gives our housing team a clear plan of action for improving the energy efficiency of its housing stock over the coming years.

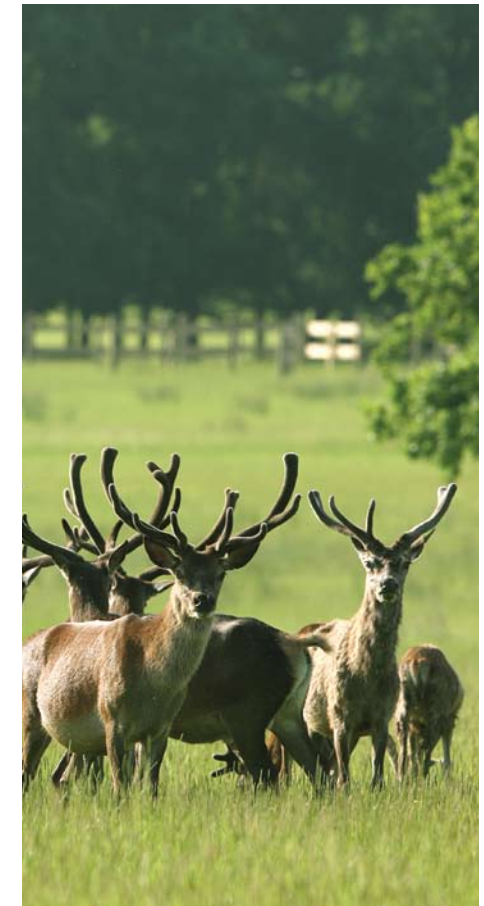
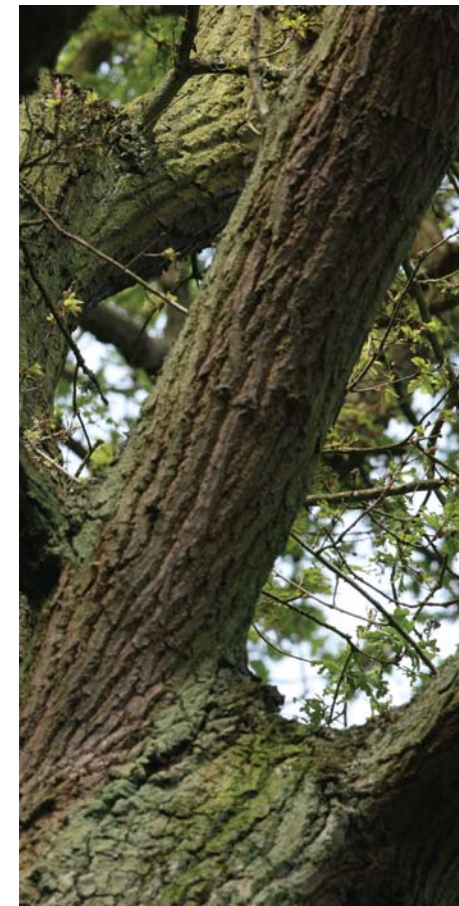
The programme will integrate energy efficiency improvements into our broader repair and maintenance programmes and will explore new technologies. Not only will the implementation of the strategy help to reduce carbon emissions but it will help tenants to see a reduction in their energy bills. It is also a vehicle through which we can motivate and train our employees and ensure they can provide energy saving advice to our tenants.



Sites of special scientific interest

Natural England sets targets for landowners to bring their holdings with Sites of Special Scientific Interest (SSSI) up to a 'favourable condition'. The Crown Estate's Rural Estate comprises 145 SSSIs, covering over 7,50 hectares. A site is considered to be in a 'favourable condition' when land is being conserved to a standard meeting demanding conservation objectives.

There has been clear progress by The Crown Estate's rural portfolio in meeting the Natural England target to ensure 95 per cent of its SSSIs in England are in favourable condition by 2010. In fact, this will be achieved with over a year to spare. In each case The Crown Estate acts as a facilitator, working closely with tenants and Natural England to assess how sites can be improved.



Building quality

Places, buildings and people are the foundations on which strong communities are formed and whether protecting the old or developing the new, our approach to building design is consistent: we demand the best. We value quality architecture and excellence in design because we understand the impact they can have on the quality of life.

Building quality

Embracing high quality architecture in all forms, we do not subscribe to any one particular form or style. Instead, whether pursuing mixed-use development behind the Grade II listed façades of Regent Street or delivering residential schemes in Patshull or Bingham, we develop buildings by implementing innovative best practice construction methods and demanding the same from our development partners.

We create attractive buildings that minimise carbon emissions and improve quality of life across the country. We take a long-term approach to development and ensure longevity by using appropriate materials and actively managing and maintaining buildings to extend their functionality, ensuring they are fit for purpose now and in the future.

We commit to 'The Building for Life Standard', the national benchmark for well-designed housing and neighbourhoods in England. This is only awarded to new housing projects that demonstrate a commitment to high design standards and good place making. We also support the Government's Sustainable Communities Plan which sets out a vision for house building in the 21st century and we are raising the benchmark across our estate for developers wishing to build houses on our land.

Design proposals from developers are assessed using robust Design Quality Indicators which measure proposals against functionality, build quality and impact criteria. This gives us a strong quantitative evidence base from which we can make informed decisions on the right developer for the job and also ensures development partners can be held to full account.

Efficient buildings are an important tool for reducing carbon emissions and we subscribe to EcoHomes and the Code for Sustainable Homes criteria to deliver energy-efficient housing. We are innovative in our approach and deliver new ways of solving old problems using the latest technologies. There are numerous situations in which we have worked with developers to improve environmental performance through good design of energy efficient homes, rather than relying on high capital cost solutions.

Buildings need to respond both to the challenges of today and also tomorrow. Across our estate we rise to these challenges, creating a legacy for future generations and delivering buildings that provide a good quality of life and a safe and healthy environment for people.



The Savill Building

The Savill Building opened in 2006 and has been a tremendous success for The Crown Estate, not only for its outstanding design but also its award-winning sustainable construction. Accolades include the Gold Award, awards in the 'Commercial and Public Access' and 'Structural' categories at the Wood Awards, and being one of only two UK finalists nominated for the Royal Institute of British Architects' Stirling Prize.

The building lies in Windsor Great Park and was designed by Glen Howells Architects. The design provides a functional building and distinctive focal point for the surrounding Savill Garden. Built to exceptional standards from natural materials that reflect its context, the unique gridshell design resembles the curve of a leaf. The Savill Building has been a big success with the public. More than just an architectural icon, it hosts facilities including a shop, restaurant, lecture room and exhibition space. Since opening two years ago some 500,000 visitors have passed through its doors.

The Savill Building's bespoke gridshell roof, the largest roof of its type in the UK, is constructed from larch and clad with green oak from Windsor Great Park's sustainably managed woodland.

“ The Savill Building takes the form of a dramatic gridshell structure made from timber from renewable sources in The Crown Estate's Windsor Great Park. This innovative use of traditional materials means that it harmonises well with a skyline of mature trees. Burying it partially underground also helped to make it unobtrusive. Considerable efforts have been made to make this building as sustainable as possible. ”

RIBA, Stirling Prize Website 2007

Mill Hill

A recent development at Mill Hill, Bingham, demonstrates The Crown Estate's commitment to achieving high quality building design, based on sustainability.

A design brief was produced in close consultation with the local planning authority and highway authorities. Developer submissions were then assessed by The Crown Estate against best practice in design, environment and sustainability criteria. This robust method of choosing a housing developer ensured superior quality at Mill Hill and regular dialogue has kept Bingham Town Council informed on the development, which is now underway.

“The local environment featured heavily in our development at Mill Hill. The Crown Estate helped us facilitate this project by working closely with us to achieve high quality urban design.”

Andy Noton, Managing Director
at Miller Homes East Midlands



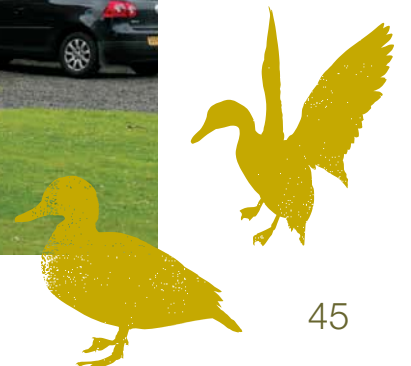
Southern Farm and Cedar House Farm

Due to the nature of The Crown Estate's rural portfolio, projects often involve the conversion of farm buildings for new uses.

Many such projects are funded jointly with our tenants, not only to improve the incomes of the holdings concerned but also to provide diversified local employment. At Cedar House Farm in Garton-on-the-Wolds, farmer Tim Ewbank has worked closely with The Crown Estate to convert both modern and traditional farm buildings into simple, low cost workspaces that are lending themselves to a variety of uses, from a joinery workshop to the manufacturing of golf tees.

At Southern Farm in Sutton upon Derwent near York, traditional but redundant farm buildings have been converted by The Crown Estate's tenant Nick Hobson into 4,000 sq ft of high quality offices. Designed to blend in with their surroundings, the buildings provide comfortable offices with efficient heating and cooling systems and full IT services. Current occupiers of this fully-let development range from an estate agent to an artist.

In the case of both farms, a high degree of success has meant that further phases of development are already in progress. At Southern Farm, Nick Hobson is about to start converting farm buildings into a further 5,000 sq ft of workspace for office and light industrial use.



Supporting the rural economy

Vibrant local economies are at the heart of successful rural communities and as a major landowner we know we have a vital supporting role to play. The rural economy and local communities face many issues such as climate and social change, and world trade dynamics. To help meet these challenges we provide financial and practical support to our tenants, underpinned by a clear business rationale.

Supporting the rural economy

Recognising our responsibility to support tenants and communities, we promote sustainable and flexible rural economies. We help tenants to respond to new challenges by adapting and diversifying their businesses.

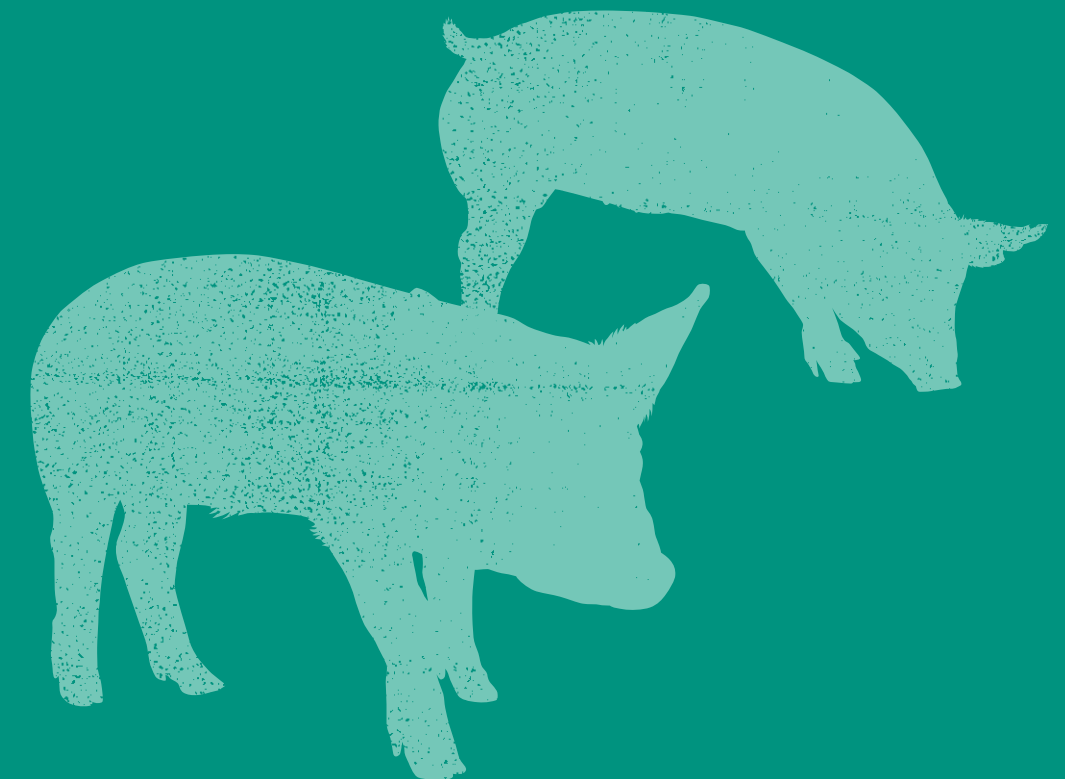
The way we work with rural businesses and communities depends on the local context and the aspirations of our tenants. Some want practical and financial support, whereas others are simply looking for advice or for help in building their brand. In some cases we invest directly, in others we co-invest in joint initiatives. In all cases we base our decisions on sound business principles.

Effective rural businesses require modern assets that are fit for purpose. We invest directly in farming infrastructure and equipment so that our tenants can run profitable and sustainable enterprises. To balance the competing priorities of good stewardship and good business we check our investments against stringent economic criteria.

Developing partnerships with our tenants to co-invest and help them expand their businesses has proved successful across our portfolio. We can open up new markets and share risks for mutual benefit. Our experience shows that we achieve more together than separately.

Non-food producing businesses have an important role to play in a diverse rural economy. Where appropriate, we work with our tenants to identify new business opportunities through the re-use of traditional agricultural buildings and the development of other non-food related enterprises, such as office or retail accommodation. The Warren Farm case study, on page 50, provides a tangible example of the wider re-use of traditional farm buildings we encourage across our estates.

The Crown Estate also builds new homes and infrastructure to meet the needs of local communities. For example, affordable housing remains a big challenge in many rural areas, particularly for younger people and public sector employees such as nurses and teachers. Where a clear need has been identified on appropriate sites we have a track record of bringing forward sensitive housing schemes to address these demands in rural areas.



The Crown Estate Business Awards

The Crown Estate's Business Awards recognise excellence in business performance, innovation, environmental care and sustainability: all areas that complement The Crown Estate's core values of commercialism, integrity and stewardship.

The awards operate in each of The Crown Estate's business areas - marine, rural and urban - and demonstrate our ongoing commitment to encouraging the development of successful, innovative and sustainable business. Through the awards, The Crown Estate encourages best practice and rewards innovation on its estates.

In 2008 the Rural Business Award went to the Butler family of East Wick Farm on the Savernake estate in Wiltshire. In addition to dairy, arable and beef operations, the family also operates a contract farming company, E W Contracting Ltd, providing a service for four local landowners.

The judges were very impressed by the contract farming company - a highly effective form of diversification - and by the demonstrable ways in which the business plays to the strengths of individual family members.



Warren Farm

Warren Farm, in Wiltshire, provides an excellent example of The Crown Estate working alongside tenants to ensure that the potential and earning capacity of its rural properties are realised.

Formerly Home Farm to the Marquis of Ailesbury's Estate, the farm has a fine range of listed traditional buildings dating from the 1830s. Let to the current tenant James Liddiard in 1987, The Crown Estate updated the farm's dairy facilities developing a modern, purpose-built unit that increased the farm's dairy capacity to 200 cows.

With the traditional buildings redundant following the addition of new facilities, The Crown Estate agreed to Mr Liddiard's request to convert the majority of them into office accommodation.

This proved so successful, not only as a diversification scheme but also in offering employment opportunities within the community, that Mr Liddiard approached The Crown Estate again in 2003 with similar plans for the former estate sawmill.

Previously converted into a grain store, the sawmill's facilities were outdated. This, together with its distinctive appearance and generous proportions, made it ideal for development and The Crown Estate agreed a scheme to fund the conversion. Having taken great interest in the project to ensure the quality and sensitivity of the work undertaken, both The Crown Estate and Mr Liddiard are particularly proud of the newly completed building which provides 4,000 square feet of attractive, versatile office space on two floors.

“The Crown Estate was key to ensuring this project was a success. They were professional and very supportive; the results of the development speak for themselves.”

James Liddiard of Warren Farm



Working in partnership is the key to creating successful development projects that are commercially viable and at the same time meet high standards and local needs. Through collaborative working we can all support the growth of strong, vibrant and healthy communities.

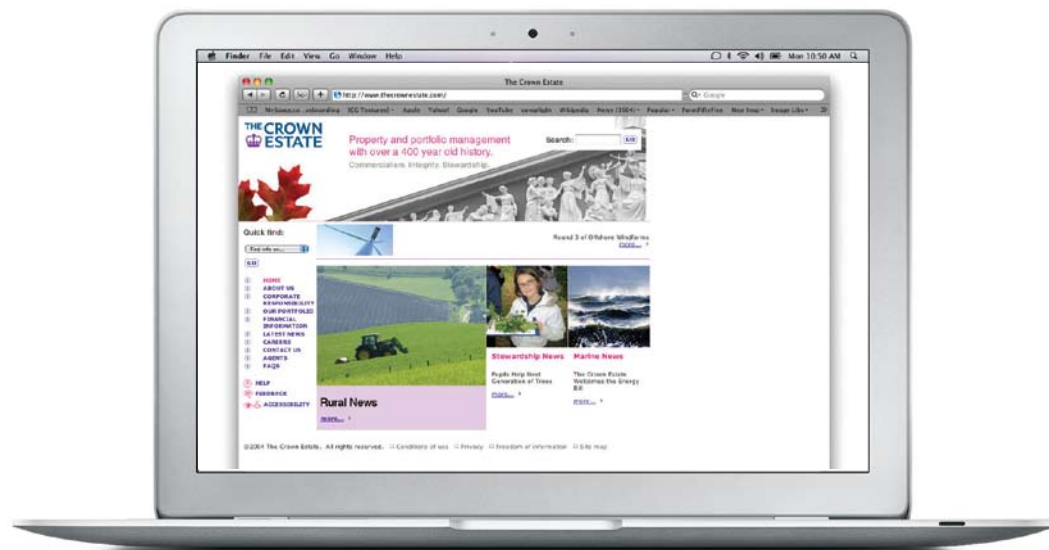
We welcome comments, queries and feedback on the breadth of our UK business. In the first instance please email: enquiries@thecrownestate.co.uk

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