

# How we have performed

## Commercialism



### KPIs



#### Achieve a revenue contribution to the Treasury of £250 million

We are holding to our ambition to achieve the £250 million mark by 2014, with a contribution of £230.9 million this year.

Alongside our commercial activities, we have achieved cost savings and improved business efficiency. Our successful performance enabled us to do this from a position of strength.

#### Net income surplus (profit) £million

2011		230.9
2010		210.7
2014 Target		250.0



#### Consistently outperform the IPD (Investment Property Databank) total return index

This year our total return was 16.3 per cent, from an industry wide benchmark of 3.5 per cent.

We have rebalanced the portfolio through a net disinvestment from central London by continuing sales from remaining non-core central London assets and bringing in third party investment into Regent Street.

#### IPD bespoke %

Actual		16.3
IPD bespoke		12.8
IPD Quarterly Index (including transactions)		11.3

#### IPD rolling three years %

Actual		4.6
IPD bespoke		2.9
IPD Quarterly Index (including transactions)		-0.8

#### Capital growth %

Actual		11.4
IPD benchmark		7.3
IPD Quarterly Index (including transactions)		4.9

### Other performance indicators

#### Net income surplus (profit) £million

2011		230.9
2010		210.7
2009		226.5
2008		213.4
2007		200.1

#### Revenue (excluding service charge income) £million

2011		306.8
2010		299.7
2009		285.8
2008		266.8
2007		262.1

#### Gross surplus £million

2011		264.3
2010		246.8
2009		243.2
2008		191.7
2007		223.4

#### Capital value £million

2011		7,253
2010		6,640
2009		6,015
2008		7,334
2007		7,091

#### Property valuation (including indirect investments) £million

2011		7,001
2010		6,232
2009		5,726
2008		6,826
2007		6,614

# Integrity and stewardship



## KPIs

### **Achieve 'Gold' in the Business in the Community (BiTC) Corporate Responsibility Index**

We achieved a high 'Silver' score in the 2011 BiTC CR Index, just 1 per cent from 'Gold'.

We have been shortlisted for the BiTC Environmental Leadership Award and are now a designated BiTC Big Tick company.

In addition, we also won the PwC Building Public Trust Award for our sustainability reporting for the second year running.



### **Enter The Sunday Times' List of good employers**

The results for the 2011 survey showed that we had again reached a 'one to watch' status.

We have retained Investors in People accreditation by implementing an action plan to take on board feedback from the 2009 assessment.



### **Win five more nationally recognised awards**

Among the many awards The Crown Estate won during 2010/11 the highlights were:

- Property Week Deal of the Year for the NBIM investment in Regent Street.
- Civic Trust Award for the diagonal crossings at Oxford Circus.
- The Glenlivet estate received the Dulverton Flagon award for innovation and diversity one of several awards at the Royal Highland Show.
- The forestry department at Windsor Great Park achieved a Certificate of Merit in the Duke of Cornwall's Award for Multipurpose Forestry as part of the Royal Forestry Society's Excellence in Forestry 2010.
- Our Pentland Firth programme won Euromoney and Ernst & Young 'Renewable Energy Landmark Renewable Deal of the Year award'. The award recognises the vision and focus in creating the world's first commercial scale wave and tidal leasing round in Pentland Firth and Orkney waters.

## Other performance indicators

### **Establish a strong and respected customer brand, supported by excellent service from us and our service partners**

We have introduced a new visitor services team across The Royal Landscape to improve the visitor experience.

In order to embed a customer focused culture in all parts of the business we are engaging colleagues with customer standards through a programme of activities, such as customer standards workshops.

### **Establish partnerships with other property owners through a flexible approach to investment and disinvestment**

We agreed the partnership deal with the Norges Bank Investment Management (NBIM) taking a 25 per cent stake in all Regent Street properties.

We also completed a major partnership deal that sees the Healthcare of Ontario Pension Plan (HOOPP) take a 50 per cent stake in its £100 million, St James's Gateway development, London W1, together with the adjacent Clydesdale block.

To ensure the future of the offshore renewable energy supply chain The Crown Estate signed letters of intent with the Department of Energy and Climate Change and another with the Welsh Assembly Government on facilitating the development of manufacturing ports and harbours.

### **Ensure Crown Estate employees and representatives actively embrace our core values**

A Code of Business Ethics has been developed which brings together and refreshes all existing individual policies. This articulates how The Crown Estate's values, responsibilities and obligations are to be delivered by employees and representatives in the course of business and will be launched during 2011.

### **Ensure we are regarded by our stakeholders as indispensable**

We have developed the St James's strategy into a more detailed, publicly available document to promote a greater understanding amongst our key stakeholders of what we want to achieve.

A co-ordinated programme on the rural estate has been implemented, focusing on estates with significant development, leisure and recreational potential, seeking to engage with stakeholders ahead of any specific development proposal.

We highlighted the role that The Crown Estate can play in the UK's security of energy supply and in helping to meet the UK's CO<sub>2</sub> mitigation aspirations by:

- Launching wave and tidal leasing rounds in Scotland in support of the Saltire Prize.
- We concluded the Pentland Firth and Orkney waters leasing round.