

*These notes refer to the Sovereign Grant Act 2011  
(c.15) which received Royal Assent on 18 October 2011*

# SOVEREIGN GRANT ACT 2011

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## EXPLANATORY NOTES

### OVERVIEW OF THE ACT'S STRUCTURE AND SUMMARY

#### *The Sovereign Grant*

20. *Sections 1 to 8* set out the arrangements for a Sovereign Grant to be paid by the Treasury. It is to be determined as a percentage of the income account net surplus of the Crown Estate. A new Reserve Fund is being set up to cater for under-spends or over-spends in Sovereign Grant in any year. The sections provide how the grant is to be set by the Royal Trustees and how it is to be accounted for. The accounts of the grant and the Reserve Fund are subject to audit by the Comptroller and Auditor General. There are to be regular reviews by the Royal Trustees of whether the percentage of the Crown Estate remains appropriate. If not, the Treasury must lay an Order before the House of Commons to implement an increase or decrease in that percentage.
21. *Section 9* provides for a reduction in the Sovereign Grant when the income of the Duchy of Cornwall is vested in the Sovereign. This occurs when there is no Duke of Cornwall. There is a new duty to provide a grant based on the amount of Duchy income to heirs to the throne who are not Dukes of Cornwall so that all heirs are entitled to similar financial support. The Sovereign Grant is also reduced where the Duke of Cornwall is under 18 - the Act provides in these circumstances for a share of Duchy income to be at the disposal of Her Majesty.