



Crown Estate Act 1961

1961 CHAPTER 55

3 General provisions as to course of management

- (1) Save as provided by the following provisions of this Act, the Commissioners shall not sell, lease or otherwise dispose of any land of the Crown Estate, or any right or privilege over or in relation to any such land, except for the best consideration in money or money's worth which in their opinion can reasonably be obtained, having regard to all the circumstances of the case but excluding any element of monopoly value attributable to the extent of the Crown's ownership of comparable land.
- (2) The Commissioners shall not grant a lease of land of the Crown Estate, or of any right or privilege over or in relation to any such land, for a term ending more than one hundred years from the date of the lease, and every such lease granted by them shall be made to take effect in possession not later than twelve months after its date or in reversion after an existing lease having at that date not more than twenty-one years to run.
- (3) The Commissioners shall not, by the grant of an option or otherwise, contract to convey or create any estate or interest in, or any right or privilege over or in relation to, land of the Crown Estate at a date more than ten years after the date of the contract:

Provided that this subsection shall not apply to a contract under which the consideration to be received by the Commissioners for the conveyance or creation of the estate or interest, or of the right or privilege, is to be determined at the time it is conveyed or created, and is to be determined in such manner as, in their opinion, is calculated to secure to them the best consideration in money or money's worth which can at that date reasonably be obtained.

- (4) Where moneys forming part of the Crown Estate are to be invested, they shall be invested either—
 - (a) in the name of the Commissioners on real, leasehold or heritable securities in the United Kingdom, but excluding the security of any lease or leasehold property where the lease has less than sixty years to run at the date of the investment; or

Status: This is the original version (as it was originally enacted).

- (b) in the name of the National Debt Commissioners in any securities or other investments for the time being authorised for the investment of money paid into the Fund for the Banks for Savings.

In this subsection " heritable security " has the same meaning as in the Town and Country Planning (Scotland) Act, 1947.

- (5) The powers exercisable by the Commissioners in the management of the Crown Estate shall include power to borrow money, on security or otherwise, for the purpose of discharging or redeeming incumbrances affecting any part of the Crown Estate, but not for other purposes: and subsections (1) to (3) above shall not apply in relation to any security for the principal or interest of money so borrowed (with or without any expenses of the lender or other incidental sums).
- (6) Subsection (1) above shall not restrict the discretion of the Commissioners as to the parcels in which any land is to be disposed of, or as to the apportionment of the consideration for any disposition or of any part of that consideration between different parts of the land disposed of, nor their discretion to reserve any right or privilege over or in relation to any land disposed of, or to dispose of land subject to any covenants, conditions or restrictions; and in determining for the purposes of this section whether the consideration to be given by a person for any disposition is the best that can reasonably be obtained, the Commissioners (where it is appropriate to do so) may take into account as part of that consideration any benefit conferred on the Crown Estate by improvements or works executed on the land in question by him or another without cost to the Crown Estate.
- (7) Subsections (1) and (2) above shall not apply to any exercise of the powers of the Commissioners for the purpose of complying with an obligation enforceable against the Crown or against the Commissioners, or for the purpose of confirming any lease or grant which is void or voidable.
- (8) Where the Commissioners dispose of land subject to restrictions on the user of the land, the restrictions may, notwithstanding any enactment or rule of law relating to perpetuities, be made enforceable by a right of re-entry exercisable on behalf of Her Majesty on a breach of the restrictions occurring at any distance of time.