

The half a billion pound royals.

2024 Royal Finances Report



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Scandalous abuse of public money

New research reveals the royals cost the country more than £500m a year.

As Keir Starmer tells the country tough decisions are needed and that more cuts are on the way, the annual cost of the monarchy has hit more than half a billion pounds.

The cost goes well beyond the official Sovereign Grant, which is also spiralling out of control. The £510m bill includes profits from the Duchies of Lancaster and Cornwall, which research conclusively shows are state assets, as well as costs to local councils, security for two dozen homes, routine use of helicopters and private or RAF jets, unpaid taxes and lost opportunity costs.

Research shows that Crown Estate land and the two duchies are state assets, not the private property of the Windsor family. Eminent figures from the nineteenth and twentieth centuries are on record confirming the point, while monarchs were legally



barred from privately owning land until 1800. The evidence is conclusive.

Claims of financial benefits to trade and tourism have also been debunked, with the notorious Brand Finance report coming in for particular criticism. With no return on the investment and comparable heads of state such as the president of Ireland costing just £5m, the monarchy represents a scandalous abuse of public funds.

9 key points

1. The royals cost a lot more than publicly declared, at least **£510m a year**.
2. The true cost **includes the sovereign grant**, which itself is set to rise by £45m a year.
3. The cost includes lost revenues from the **Duchies of Cornwall and Lancaster**, which the record shows are state assets at the disposal of parliament, not the private property of the Windsor family.
4. The Sovereign Grant is funded wholly by the government, not the Crown Estate. The **Crown Estate is a state asset**, created in 1960 to manage some Crown (state) lands, but it's only been since 2011 that it has been used as a smokescreen for royal expenditure, by artificially linking the grant to Crown Estate profits.
5. The huge and growing cost of the royals is primarily due to **personal and private costs**, such as an excessive number of homes, avoidance of large tax bills and private incomes being drawn from the duchies.
6. **Using or abusing public office for private gain is a form of corruption**, and this corruption is why the monarchy costs so much. Secrecy, dishonesty and deference all feed a culture of impunity and entitlement.
7. **Comparable heads of state** cost as little as £5m a year, excluding security.
8. There is **no evidence to support claims of an economic benefit** from having the monarchy.
9. The cost of the monarchy should and could be **slashed to just £5-10m a year**, while these revelations should help **fuel a debate about abolition** of the monarchy in favour of a democratic and accountable alternative.

Summary of the annual cost of the royals

	£m
Expenditure from Sovereign Grant and Surplus	108.9
State buildings used by royal family	96.3
Duchy of Cornwall profits/gains - lost	65.3
Duchy of Lancaster profits/gains - lost	33.8
Royal Collection net surplus - lost	11.8
Cost to local councils	31.9
Security	150.0
Costs met by Government Departments and the Crown Estate	7.5
Bona vacantia proceeds - Duchy of Cornwall	0.1
Bona vacantia proceeds - Duchy of Lancaster	4.8
Total cost	510.4

The full cost explained

Expenditure from Sovereign Grant and Surplus

This is the total amount spent in a year from Sovereign Grant fundsⁱ. The amount spent is different to the size of the Grant, as the royals are permitted to retain a surplus in one year and use it to increase spending another year.

Unlike most government grants, the Sovereign Grant doesn't come attached to a series of obligations or measurable outputs. In this sense it's more a handout than a grant. This kind of funding arrangement is highly unusual for public bodies and raises a number of questions about why it is designed this way and why there is so little scrutiny of the size of the grant or how it is spent.

Since the grant was introduced in 2011 royal funding has only been reported on by the National Audit Office in 2013 and 2023ⁱⁱ while the Commons has barely paid it any attention at all.

See *Sovereign Grant – a deliberate smokescreen* on page 16.

State buildings used by royal family

State buildings used and occupied by the royal family cannot be used to their full potential by the state. This report makes a conservative estimate of lost revenue potential from key buildings,



based on various reports. This is an opportunity cost rather than a direct expense, but it is a cost nonetheless.

State buildings and rent-free royals	£ million	Percentage not open to public	£ million	Est. rental yield	Implied rent
Buckingham Palace	3900	50%	1950	3.60%	70.2
St James Palace	561.8	100%	561.8	3.60%	20.2
Windsor Castle	596.3	10%	59.63	3.60%	2.1
Kensington Palace	465	10%	46.5	3.60%	1.7
Clarence House	57.7	100%	57.7	3.60%	2.1
Total	5,580.80		2,675.63		96.3

The official accounts published by the palace also fail to mention any independent valuation of buildings and other valuable assets, or account for depreciation of value. This would be normal practice in most business and public sector accounts. For example, the Environment Agency states in its annual report that it is required to carry out “an independent five-yearly revaluation of our freehold land and buildings, including dwellings,” all of which is carried out by a Chartered Surveyor. The palace simply ignores these assets except where accounting for repairs.

The state owns Buckingham Palace, Kensington Palace, Windsor Castle, St James’s Palace and many other properties that are given over to the royal family. This is a significant loss of potential earnings for the state and this report’s estimate of the opportunity cost is a conservative one. The public needs more information on how many buildings are being maintained using money from public funds, how much they are worth, what they are being used for and whether and what rent is being paid. All of this information should be included within the official royal accounts.

Duchy of Cornwall and Duchy of Lancaster profits/gains – lost

There is overwhelming evidence from the historic record that shows the Duchies of Lancaster and Cornwall are Crown property, and not the personal, private property of Charles and William. That being the case the Duchies’ assets and revenue ought to be folded into the Crown Estate. Were the Duchy managed as part of the Crown Estates the state would benefit from revenue and capital income (the Duchy can’t currently benefit from capital income), and so both are included in the report, whereas the income received by Charles and William only includes revenue income. These figures are taken from the 2024 Duchy reportsⁱⁱⁱ.

The state ownership of Crown and Duchy land is explained in more detail later in the report. See page 10.

Royal Collection net surplus – lost

The profits from the Royal Collection are retained by the charity, which is sitting on reserves of more than £43m. The collection and any profits made could be better used for the public benefit were they not bound up with the monarchy and the Royal Household. These figures are from the charity's 2024 report^{iv}.

Cost to local councils

In 2015 Republic gathered data from a number of local authorities and extrapolated this to cover all royal engagements^v. It was a conservative estimate which almost certainly understates the total costs met by local councils. This year the figure has been recalculated for inflation using the Bank of England's inflation calculator^{vi}.

Security

Security is difficult to assess, however one thing is certain: there is a large security bill associated with the royals. Various press reports over the years have cited sources from within the Metropolitan police saying the total cost of royal protection is in excess of £100m a year. The figure in this report takes the figure from 2010 and adjusts for inflation^{vii}.

It should be noted that having fewer royals doesn't mean lower security costs. Security is likely to be more expensive due to inflation and the introduction of new technologies. The major security cost would be protecting buildings and residences, the number of which has remained the same despite the reduction in the number of royals. Either way, this is indicative of a likely cost and the onus is on the government to provide the correct figure, something they refuse to reveal.

While it's correct to say that comparable heads of state would also receive security it is unlikely to include protection of two dozen homes or a dozen or more people. Former government minister Norman Baker has argued that royal protection has become a matter of status for the Windsors. He has said "the level [of protection] afforded did not seem to be based on any rational assessment". Former head of the Royal Protection Squad Dai

Davies was quoted in Baker's book ...*And What Do You Do?* saying "I don't know of any real threat to any minor royal over twenty-five years."^{viii} Yet they are all afforded police protection, including police escorts even when travelling for personal business rather than official engagements.

Costs met by Government Departments and the Crown Estate

There are a number of costs met by government departments and the Crown Estate, including equeries and orderlies, administration of honours, maintenance of grounds in Windsor and so on. A research paper has provided details of these costs up until 2011, from which we have made an adjustment for inflation^{ix}.

What's notable is that the Foreign Office is still being asked to pay for overseas visits. The National Audit Office has made clear that "The purpose of the [Sovereign] Grant is to provide resources for use by the Household [...] These include: Royal Travel for official engagements in the UK and overseas undertaken by The Queen and Other Members of the Royal Family acting on Her behalf." Why then does the palace not pay for overseas trips from the grant, as intended?^x

Bona vacantia proceeds - Duchy of Cornwall and Duchy of Lancaster

If someone dies without having left a will, and with no family who can claim their estate, then the person's assets are passed to the Treasury. That is unless they were living on Duchy of Cornwall or Duchy of Lancaster land. In that case the money and assets are passed to the Duchy, which is free to spend it as they wish. Both Duchies claim to spend this money on charity, however these are charities they are closely associated with and significant funds are deducted for 'costs'. There is no reasonable grounds for this arrangement, and all of the funds should be sent to the Treasury to be spent on public services.

These figures are taken from the Duchies' 2024 reports^{xi}.

Reform and abolish

Republic is calling for short-term royal funding reforms with a view to a longer-term debate on abolition. Those reforms include:

1. Scrap the **Sovereign Grant**.
2. Provide a **budget of £5-10m a year**, to provide an office and staff for the head of state.
3. Provide a **salary for Charles of £189,000** and peg any increases to that of the prime minister. This figure is 110% of the prime minister's salary.
4. **Roll all Duchy assets into the Crown Estate** and rename the estate the National Estate, changing the law to make public ownership explicit.
5. **Limit Charles to two homes** that the state will provide security and staff for, one in central London and one in the countryside. This will bring the head of state into line with the prime minister.
6. Scrap all provision of homes or funding for all **other members of the royal family**. Ensure all royals have the same tax obligations as everyone else.
7. **End all royal exemptions from the Freedom of Information Act** and include the royal household and the royal archives in the scope of the Act in relation to official communications, documents and records.
8. Hold an **honest and public inquiry into royal finances** and spending, one which has full access to all records going back as far as necessary.
9. **Take royal financial reporting out of the hands of the palace** and ensure comparisons with similar heads of state are included in any reports.

These reforms are proposed with a longer-term view of achieving the abolition of the monarchy in favour of a democratic alternative. Only by having an accountable head of state can we put an end to this abuse of public money.



Secrecy and corruption

The cost of the monarchy is the result of secrecy and corruption – protected by a deferential attitude from politicians and sections of the media alike.

As with MPs' expenses fifteen years ago, royal abuse of public money happens because they believe they can get away with it. The royals are protected by exemptions from freedom of information laws and their power to effectively lobby for legal and financial privileges not available to the rest of us.

MPs and journalists do too little to investigate or challenge royal corruption and secrecy, and so the royals continue to believe they can behave with impunity.

Key points

1. Academics have claimed the monarchy is **more secretive than MI5 or the CIA^{xii}**.
2. The royal household is completely **excluded from the remit of the Freedom of Information Act**, meaning that the public and press have no right to demand official information from the monarchy.
3. Where information about the royals is held by other government bodies, that information is also **protected by an absolute exemption** from the England and Wales Freedom of Information Act.
4. The royals are granted a **blanket exemption on the publication of wills**, without any statutory basis for such exemptions. This protects them from scrutiny regarding matters such as property ownership and inheritance tax and opens the door to fraud and misappropriation of assets.
5. Hundreds of thousands of **official state records are hidden away in the 'family archive' in Windsor Castle**. The royal archive is funded by the taxpayer, it contains a vast collection of official documents and correspondence yet is beyond the reach of public records and freedom of information law. It is treated as a private archive with only 'responsible' researchers given access.



6. Any new legislation which affects the personal and private interests of William or Charles must gain their consent before it can become law. This results in **hundreds of exemptions from the law being granted for the Duchies and royals**, including exemptions from environmental protection, race discrimination and planning laws. This rule of consent gives the royals considerable leverage in dealing with the government.
7. Both Charles and William are also **granted complete access to all cabinet papers**, more access than some cabinet ministers. This gives them a significant advantage in lobbying government to pursue their own interests and the interests of their friends in places like Qatar, as well as lobby for their pet projects.

Crown and Duchy land

A persistent misunderstanding on royal funding is the ownership of the Crown Estate and the two Duchies. This misunderstanding appears to be deliberately encouraged by the palace, who routinely claim the Duchies are private and make statements that can easily mislead the public to believe the Crown Estate somehow contributes to the funding of the monarchy.

Crown Estate

“The official expenditure of The Sovereign is met from public funds in exchange for the surrender by The Sovereign of the Crown Estate revenue account profit to Government.”

2024 Buckingham Palace Sovereign Grant Report

The Palace claims the Sovereign Grant is provided in exchange for Crown Estate revenue. This is untrue. The ‘surrender’ was a re-organisation of state assets and revenue that happened in stages between 1760 and 1830. In no meaningful sense is the funding the monarchy receives in 2024 in exchange for funds the government receives from the Crown Estate. Regardless of royal funding



arrangements agreed by parliament, Crown Estate revenue will always go to the Treasury, no matter what the monarchy may wish to happen.

Former Cabinet Secretary Lord Turnbull made the point when he said the link between the Sovereign Grant and the Crown Estate was “pretty artificial” and that there was “no relationship between the net income of the Crown Estate and the funding of the monarchy, and there has not been since 1760.”^{xiii}

The Crown Estate is an organisation that dates back only as far as 1961, and its purpose is to manage revenue-generating land on behalf of the treasury. Charles has no say in the management of the Crown Estates or its revenue. The Crown Estate reports directly to the treasury and the government determines who sits on the Crown Estate’s board.

Crown land

There are various categories of Crown property, as identified by Phillip Hall in his 1992 book *Royal Fortune: Tax, Money and the Monarchy*^{xiv}. This property includes government buildings, historic royal palaces, the Crown Jewels and land managed for generating revenue for the treasury.

The Crown land managed by the Crown Estate has never been the personal property of the monarch. As the Crown Estate itself rightly points out, “The Crown Estate is not the private property of the King.” It is said to be the monarch’s property ‘in right of the Crown’, which means it is the property of the Crown, an institution of state, and that the person on the throne has no personal claim to it.

This distinction between ownership by the Crown and private ownership by the monarch has existed since well before any ‘surrender’ of revenues or the creation of the Civil List. Until parliament passed the Crown Private Estate Act 1800 the king was not permitted to privately own land at all.

The Crown owned the land separate from the person on the throne for a very simple, pragmatic reason: to ensure that a change of monarch wouldn’t lead to the loss of state lands, as those lands were the primary source of income for the state. When kings were

defeated in battle or revolution, the property remained with the Crown as the Crown was passed to a different monarch.

Throughout its history the monarch has been required to spend that revenue on running the state, particularly the civil service and judiciary, raising taxes only when necessary, such as at times of war. The land revenue was never there to provide solely for the private lives of the monarch or their family, although they certainly made good use of those funds for personal enrichment^{xv}.

By the eighteenth-century revenue from Crown lands was in decline and was insufficient for covering the king's costs of running the judiciary and civil service. The king surrendered the revenues from the Crown lands to parliament, so parliament could take full responsibility for the funding of the state from that revenue and other revenues such as taxation. To ensure the royal household had funding of its own, parliament agreed to continue paying an annual grant to the king, the civil list (now the Sovereign Grant). The Civil List had been paid by parliament since 1689, which was to be used for official and personal costs. This change in funding arrangements didn't happen all at once, but in a series of amendments introduced between 1760 and 1830, from which point the Civil List was solely for the purposes of running the household.

All this is made clear in the recent House of Commons Library report, *Finances of the Monarchy*, which sets out the evolution of the Civil List through to its abandonment in favour of the Sovereign Grant in 2011^{xvi}.

There was never any personal surrender of private revenue, but an acknowledgement of the changing realities of government and the funding of the state. Upon his accession to the throne in 2022, Charles said that he agreed to renew this arrangement. However, this is pure theatre. He could do nothing else. Such arrangements are a matter for parliament, and even if he insisted on such a reversal, the revenue from the Crown land would still be received by the king for the purposes of funding the state. So he would simply have to make decisions on how to divide up the revenue between government departments, or return it all to the treasury so that ministers can decide how it is spent.

It is often said that there is some uncertainty about the ownership of Crown land, but it has been well understood for three centuries, since the ‘surrender’ first took place. Countless authoritative figures have made the point over the years.

The House of Commons Library report quotes chancellor Rab Butler agreeing with Labour leader Hugh Gaitskell in 1952: “the hereditary revenues were originally the moneys that ran the country and there was, in fact, no actual bargain”. The report also cites a 1968 Bow Group publication dismissing the ‘surrender’ as “no more than a useless legal fiction”^{xvii}.

A paper written in 1901 by George Percival Best, an authority on such matters, cites a number of eminent academics and politicians who make the same point^{xviii}. Historian and MP Spencer Walpole (descended from two former prime ministers) is quoted, along with Regius Professor of Modern History at Oxford Edward Freeman (1823-1892), saying the surrender of the land was “custom as strong as law” and that it could not be reversed. These were notable establishment figures of the Victorian age, not radicals out to undermine the monarchy.

Duchies of Cornwall and Lancaster

“The Duchy of Lancaster is a private estate owned by His Majesty The King, as Duke of Lancaster.”

Duchy of Lancaster website

“The Duchy of Cornwall is not audited by the National Audit Office because it is a private estate rather than a publicly owned entity.”

Duchy of Cornwall website

The two duchies are not the private property of the Windsor family. They never have been. Yet they provide Charles and William personal incomes in excess of £23m a year each. That’s as much as six times the combined salaries of all elected heads of state in Europe for William, and again for Charles.

The Duchies of Lancaster and Cornwall both belong to the Crown, a state institution. As explained above, the King was not allowed to own private property until 1800, hundreds of years after the duchies were formed.

The 1337 Charter which established the Duchy of Cornwall was clear from the outset that it was only for the use of the heir who was also the eldest son of the monarch. It wasn't the personal property of the monarch's son but held by the Crown for heirs of the future. It was indivisible from the Crown, not from the man on the throne or the duke.

There are many ways to illustrate this point. For instance, were William to convert to Catholicism he would lose his position as heir and therefore lose the Duchy. Were that to happen George would become heir, but is not the eldest son of the monarch, and so would not be Duke of Cornwall. Instead, the revenue would revert to the Crown and paid to the monarch. The Sovereign Grant would be reduced by an equal amount, which means the Duchy's revenue would be used by the government to offset official costs of the monarchy.

Likewise, when Edward VIII was forced to abdicate, in part due to his sympathies with the Nazis, he did not retain personal ownership of the Duchy of Lancaster. The revenue was paid instead to his brother, the new king, while the Duchy of Cornwall reverted to the Crown as the new king had no sons.

“Confiscated to the Crown”

The history section of the Duchy of Lancaster website explains that in 1399 the new King Henry IV passed a law which set out: “the conditions in which the Lancaster inheritance should be held, specifying that it should be held separately from all other Crown possessions, and should descend through the Monarchy as a private estate.” What they neglect to mention was that when Edward IV became king forty years later, a new law was passed in which: “the duchy was declared forfeited by the House of Lancaster and annexed to the Crown, becoming vested in Edward IV in his body politic [official capacity], but under a separate guiding and governance from the other inheritances of the Crown.”^{xix} So, while it is said to have been kept separate from other Crown properties, it was now owned by the Crown, not

personally by the king. We know this because the title of the law in question is “An ACT for incorporating and also for the *confiscating the Duchy of Lancaster to the Crown* of England for ever.”^{xx}

Subsequent legislation confirms the point. The *Crown Lands Act 1702*, for instance, sees parliament determine how Duchy of Lancaster lands are to be managed, prohibiting the sale of that land and only allowing the monarch to receive profits rather than capital gains. Both estates must report to parliament and the abolition of both estates, with their assets rolled into the Crown lands, has been debated more than once in parliament. These estates are state property, parliament chooses to allow their profits to be paid to the monarch and heir as a private income. Parliament could, and should, decide to end that arrangement.

As with Crown lands, numerous authoritative voices have made it clear that the two Duchies are not the private property of the Windsor family. George Percival Best, in the 1901 document cited above, argues that parliament should consider transferring all Duchy land to the public, while Labour leader Clem Attlee, some years before becoming prime minister, argued in parliament that the Duchies: “cannot be considered in any way to be private estates [...] Whatever may have happened in the past, they had now descended with the Crown and have in fact become attached to the positions of the King and Prince of Wales. Therefore, we think they should be assimilated to the position of the other Crown lands.”^{xxi}

While the House of Commons Library report shows that the royals and their supporters in parliament have always resisted the surrender of these multi-million-pound revenue streams, their defence has never been more than that they are and have been *treated* as private, not that they are private. In other words, they are private estates only insofar as we grant them a level of privacy not granted to other public bodies and we allow the monarch and heir to receive all profits as private income.

In the debate on the introduction of the Sovereign Grant in 2011, in response to suggestions by George Osborne that these were private estates, Labour MP Ian Davidson said: “...the Public Accounts Committee established quite clearly that that is not the case – that this is not the private property of the monarch or her family but a trust established by the nation in order to fund the

various members of the royal family. That is different from saying that it is the private property of the royal family themselves.”

The only reasonable interpretation of this arrangement is that the state pays Charles and William a personal income of more than £23m a year, each. Compare that to the prime minister’s salary of £166,000 and the furore over the salaries of political advisors and we must ask why. Why do we pay the head of state and his eldest son annual salaries of more than £23m each?

The Public Accounts Committee had pointed out that “The current arrangements stem from the fourteenth century, and the resulting income is to that extent an accident of history.” Surely, then it is time to reassess that arrangement, scrap the Duchies and abandon any pretence of a link between Crown land revenue and the funding of the monarchy.

Sovereign Grant – a deliberate smokescreen

“King Charles has asked for a surge in profits from six new offshore wind farms on the Crown Estate, worth £1bn, to be used for the "wider public good", rather than the Royal Family.”

BBC News website

When, in 2023, it was suggested by the palace that the king wished Crown Estate revenue be used for the public good, they were being wholly dishonest. Not only did Charles have no say in the matter, beyond his officials advising the government of their view, but the grant was not falling at all, but going up from £86m to £125m, an increase of 45%^{xxii}.

Until 2011 the Civil List was paid by the government at a level agreed by parliament every ten years. That year the chancellor, George Osborne, replaced the Civil List with the Sovereign Grant. While this change was agreed by parliament, the new system removed all further decision making from MPs. Instead, the size of



the grant would increase in line with increases in the profits of the Crown Estate or remain unchanged should those profits fall. Further decisions regarding the grant would be largely limited to government and palace, rather than parliament.

As discussed above, the grant is funded by government and not in any way by the Crown Estate. The Crown Estate's profits are simply used as a benchmark for *increases* to the grant. As the Crown Estate is enjoying record growth thanks in large part to offshore windfarms, their profits continue to grow and with it the size of the grant.

The purpose of the Sovereign Grant was twofold: to reduce genuine political debate about the funding of the monarchy, and to give the impression of a monarchy that funded itself through Crown revenues.

On the first point George Osborne was quite honest, telling parliament the grant would be “automatically uprated without an annual political argument.”^{xiii} The loss of political debate has resulted in almost no scrutiny of royal finances. The National Audit Office has published just two reports on the matter, one in 2013 and another in 2023. The Public Accounts Committee has shown almost no interest since its 2009 inquiry.

That automatic uprating cannot possibly be justified. The Financial Times summed it up neatly, pointing out that “when the Crown Estate does well, royals win; when it does not, taxpayers lose.” Ian Davidson, former MP who had served on the Public Accounts Committee, said at the time that “the grant would be on, as it were, a gold ratchet [...] it would always go up, and never down.” The reason, as noted above, is that the Sovereign Grant Act stipulated that if Crown Estate profits were to fall the Grant would remain at the level of the previous year. Once it was up, it was up. It could never go down.

Lord Turnbull remarked that linking the grant to the Crown Estate's profits was “an odd benchmark” and would have been better linked to inflation, which would “avoid perpetuating or even entrenching the confusion between the Crown Estate and the Crown itself.” He also suggested Osborne was seeking to “pull the wool over the eyes of Parliament and public by implying that the monarchy was meeting its own operating costs from its own

resources rather than drawing on taxpayer funds from the Exchequer.

Yet entrenching that confusion was the point. The government and palace have been successful in misleading the public about the nature of public expenditure on the monarchy. There is a widespread belief the monarchy is self-funding via Crown Estate revenue, when that is simply not true. The language used by the palace and their cheerleaders suggests it was a very deliberate smokescreen, and it is one that needs to be vociferously challenged by the media, campaigners and politicians.

BBC reporting and that notorious graphic

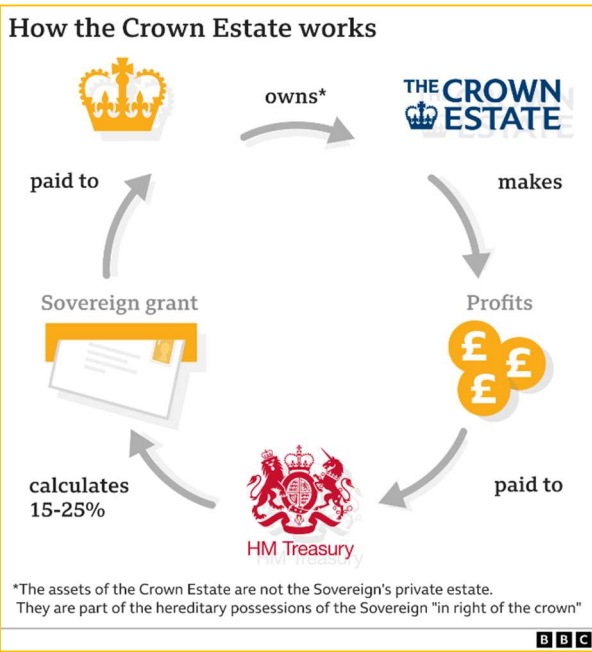
The BBC's reporting on the royal finances is a case study in how poorly informed this debate has become. Several years ago, they produced a graphic which implied a direct transfer of funds from the monarch to the government, followed by a transfer of a smaller amount back to the monarch. Republic pointed out the error and the corporation made a limited edit to the graphic, but it is still misleading.

Journalists often talk about the Crown Estate as if it offered a payoff against which we can offset the cost of the monarchy. With some exceptions the BBC only talks about the Sovereign Grant and largely ignores the overwhelming evidence of substantial additional costs, and readily insists that the Duchies are private property. It isn't so much a deliberate collusion with the palace as a lack of willingness to look more critically at the issue and challenge the palace line.

In reporting the royals' annual report in 2024 the BBC recited the same misleading interpretation of their funding.^{xxiv} The article said, incorrectly, that "The Crown Estate is a property business owned by the monarch but run independently," before repeating the point refuted above, that: "King Charles III wanted its profits to be used for the wider public good." Again the BBC repeated the palace line that there was an exchange of funding for Crown Estate revenue, stating: "The Sovereign Grant [...] funded by the taxpayer, in return for King Charles giving up revenue from the Crown Estate."



There was no mention of the other £400m and no investigation into their funding that went any deeper than what the palace chooses to put into the public domain.



The BBC's graphic (left) implies a direct relationship between Crown Estate revenue and the Sovereign Grant. The graphic also conflates the institution of the Crown with the Royal Household, giving the clear impression that the monarchy funds itself. This is wholly misleading.

The graphic below provides a more accurate picture of the relationship between Crown, Crown land and state funding, including that of the monarchy.

The Crown Estate and funding of the Royal Household.

1. The Crown, a state institution, owns Crown land.
2. A lot of this Crown land is managed by the Crown Estate, established in 1961.
3. The Crown Estate pays all its profits to the Treasury, which also receives taxes and other revenue.
4. The Treasury allocates funds to the NHS, government departments, the army and more, including the Royal Household.
5. The royals also receive profits from the Duchies and other funding.

The diagram shows the Crown (crown icon) leading to Crown land (wind turbines and houses). This land is managed by THE CROWN ESTATE. Profits from the Crown Estate go to HM Treasury. HM Treasury then allocates funds to the NHS, the ARMY, and the ROYAL HOUSEHOLD. The ROYAL HOUSEHOLD also receives funding from the Duchies (represented by a coat of arms).

There is no link between the money raised by the Crown Estate and money paid by the Government to the Royal Household, other than when calculating increases to the Sovereign Grant. If Crown Estate revenue fell to zero the Government would still pay the grant, which would remain unchanged. The Government could also choose to change the way the grant is calculated, such as linking it to inflation.

Economic benefits

Republic opposes the monarchy for a number of reasons, none of which include the cost. The cost is a symptom of an institution that is corrupt and unaccountable, and this report seeks to address that chasm between the reality of royal funding and the way it is reported and talked about by government, palace and press. With this in mind it's worth stating that claims of economic benefit are largely irrelevant to the debate, because the monarchy is not there to generate revenue or support the tourism industry. It is part of the UK's constitution and it is on that basis that it should be judged. It is also a public body that should live up to the highest standards of probity.

The palace and government have persuaded a lot of people that the monarchy is self-funding, by way of the dishonest and duplicitous design of the Sovereign Grant and the rhetoric they use to talk about ownership of the Crown Estate. To further muddy the waters, the royals' cheerleaders imply the monarchy not only costs the taxpayer nothing but makes us all richer through its impact on the British economy. These claims are false and have never been supported by any evidence, yet are regularly repeated as credible by broadcasters and press.

Brand Finance

One of the most dishonest but enduring myths about the monarchy is that it makes money for the UK. One of the few sources of information to support that claim is a report from Brand Finance, a branding consultancy based in London.

Brand Finance released an annual report from 2012 to 2017, then a final report just after the coronation in 2023. The reports contain little in the way of evidence or source material, yet too often the media cite them as if they were credible and serious studies.

The reports are very thin on detail, simply adding up a number of spurious assertions to come to some wild figures that cannot withstand scrutiny. They believe the UK's world leading media and creative industries are boosted by productions such as Netflix's *The Crown* because of the existence of the monarchy. The report claims Crown Estate and Duchy revenue as a financial benefit of the monarchy, despite the clear evidence that these are entirely



separate entities that would continue without the monarchy. The report also pulls together questionable estimates on the 'brand' impact of the royals, without much evidence to support such claims. The value of the palaces and parks are also included, without comment on the substantial loss of value from giving exclusive access to a large part of those properties to one family.

Brand Finance also makes the mistake of including tourism revenue and various related claims that surface at the time of major royal events. Not all the figures are questionable, but the conclusions drawn from them are. Where revenue exists there is no evidence it is generated because the monarchy exists, or that it would be lost should the monarchy be abolished.

Tourism

No evidence has ever been produced to support the claim that the monarchy attracts tourists to the UK. Heritage tourism, which includes things like castles and palaces, certainly does attract tourists. But heritage tourism is driven by people who want to see buildings and learn about the UK's history. There is no evidence that any of that revenue would be lost if the monarchy were abolished and the royals vacated the palaces. On the contrary, Tower of London earns far more in ticket revenue than Buckingham Palace, having been vacated by the royals centuries ago.

In the run up to the royal wedding in 2011, VisitBritain made various claims about the impact of the monarchy and wedding on tourism. They said the wedding would be a boost to international visitor numbers, despite their own research showing the opposite was more likely.^{xxv} They claimed that royal heritage added £500m to the UK's economy, yet when pressed they couldn't support the figure. It had been calculated by adding up the ticket revenue for all ticketed heritage sites with even the slightest royal connection. There was no evidence the revenue was generated by the current monarchy, even if interest in historic royals was a factor.

In 2012 Republic met with the CEO and chair of VisitBritain^{xxvi}, who promptly agreed with our view that there is no evidence the UK's tourism industry would decline were the monarchy abolished. In 2018 Republic wrote to VisitBritain asking for data and research showing a link between the monarchy and tourism. They didn't

have any. Some reports, cited by Brand Finance, suggest a huge boost to hospitality and other spending on the weekends of Royal weddings and jubilees. Yet as any economist would explain, a royal event doesn't give shoppers more disposable income. What is spent one weekend isn't spent on another.

A note on accuracy and estimates

This report seeks to challenge the palace and government over the reporting of royal funding, to challenge MPs to pick up the gauntlet and ask tough questions about the huge cost of the monarchy. It is also aimed at prompting the media to do the same, to ask tough questions of the palace and government, to do new research into these costs and to more accurately inform their readers, viewers and listeners as to what they are spending on the royal household each year.

Because of the opaque nature of the monarchy and the nature of some of the costs, accurate figures are not available in every case, and estimates are often used. We do our best to ensure those estimates are as reasonable and fair as possible. We have also left some costs out, as they are either difficult to assess or will greatly distort the overall picture.

Unpaid taxes are particularly difficult to calculate. We know that Charles paid no inheritance tax when the Queen died, but we only have press speculation as to the size of the inheritance, usually estimated at around £600m. Charles and William pay income tax on a voluntary basis, and while we can see their income from the duchies, we have no idea what other income they have nor what taxes, if any, they volunteer to pay.

There are also significant costs associated with major royal events. Annual events such as Trooping the Colour could well continue without the monarchy, and so the cost isn't included here. The cost of the Queen's 2022 jubilee, her funeral and the subsequent coronation runs into the hundreds of millions of pounds. The coronation alone was estimated to have cost the taxpayer between £100m and £250m, with no single bill being calculated or published by the government or added to the

monarchy's annual accounts. Adding these costs would mean that the cost of the monarchy to the taxpayer for the three years 2022 to 2024 will comfortably surpass £2bn.

While we believe the figure of £510m is a reasonable approximation of the annual cost of the monarchy, many questions remain. Not least, why the government and palace aren't more open and honest about royal funding. At a time when pensioners are losing their winter fuel allowance, when public services are at breaking point and children are living in poverty, these questions are more urgent than ever. Because all the evidence tells us the royal family are ripping off the British public, demanding hundreds of millions of pounds of funding, secrecy and the freedom to spend public funds with impunity. If anything, this report is an alarm bell, alerting the country to the corruption of the royal household and their serial abuse of taxpayers' money.

Further reading

Abolish the Monarchy: Why We Should and How We Will, 2023,
Graham Smith

...And What Do You Do?, 2019, Norman Baker

The Queen's True Worth, 2020, David McClure

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ⁱⁱⁱ Duchy of Lancaster Report and Accounts 2024 and Duchy of Cornwall
Integrated Annual Report 2024

^{iv} Royal Collection Annual Review 2024

^v *Royal Expenses, Counting the Cost of the Monarchy*, Republic 2017
Royal Finances Report

^{vi} Bank of England inflation calculator at

<https://www.bankofengland.co.uk/monetary-policy/inflation/inflation-calculator>

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<https://www.mirror.co.uk/news/uk-news/100million-to-guard-21-royals-around-234485>

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^{ix} Sovereign Grant Bill, Research paper 11/57, House of Commons Library,
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^{xiv} *Finances of the Monarchy*, House of Commons Library, 2024, p54

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- ^{xv} Abolish the Monarchy: Why We Should and How We Will, Graham Smith, 2023, p82
- ^{xvi} Finances of the Monarchy, House of Commons Library, 2024, p20
- ^{xvii} Finances of the Monarchy, House of Commons Library, 2024, p13
- ^{xviii} Abolish the Monarchy: Why We Should and How We Will, Graham Smith, 2023, p82
- ^{xix} The Civil List and the Hereditary Revenues of the Crown, 1901, George Percival Best at https://www.republic.org.uk/duchies_1901
- ^{xx} See [The Project Gutenberg eBook of History of Lancashire, by Lieut.-Colonel Henry Fishwick, F.S.A.](#) Also referred to in Best, 1901
- ^{xxi} Finances of the Monarchy, House of Commons Library, 2024, p44
- ^{xxii} King Charles to receive huge pay rise from UK taxpayers, Guardian, 2023 at <https://www.theguardian.com/uk-news/2023/jul/20/king-charles-to-receive-huge-pay-rise-from-uk-taxpayers>
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- ^{xxiv} Royals to get extra £45m as Crown Estate profits soar, BBC, 2024 at <https://www.bbc.co.uk/news/articles/c880mg120jjo#:~:text='Swiftly%20changing%20circumstances',the%20Sovereign%20Grant%20%C2%A3800%2C000>
- ^{xxv} Royal wedding could be damp squib for tourism, says official, Guardian, 2011 at <https://www.theguardian.com/uk/2011/feb/11/royal-wedding-damp-squib-tourism>
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