

Sovereign Grant Act 2026

CHAPTER 28

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Sovereign Grant Act 2026

2026 CHAPTER 28

An Act to specify the amount of the Sovereign Grant for the financial year 2027-28 and the percentage of the income account net surplus of the Crown Estate to be used by the Royal Trustees to determine the amount of the Sovereign Grant in subsequent financial years; to confer a duty and a power on the Treasury to specify the amount of the Sovereign Grant in subsequent financial years in certain circumstances; and for connected purposes.

[2nd November 2026]

Most Gracious Sovereign,

WHEREAS Your Majesty has been graciously pleased to signify to Your faithful Commons in Parliament assembled that Your Majesty is desirous that consideration should be given by Your faithful Commons to the provision made by Parliament for the financial support of Your Majesty and other members of the Royal Household, and to the arrangements to be made for the continuation of such support in the reigns of Your successors.

And Whereas Your Majesty has further been graciously pleased to signify that Your Majesty is desirous that the hereditary revenues of the Crown for any period for which support is provided to any of Your successors should be at the disposal of Your faithful Commons.

Now, therefore, we, Your Majesty's most dutiful and loyal subjects, the Commons of the United Kingdom in Parliament assembled, have freely and voluntarily resolved to make such provision as hereinafter appears for the purposes aforesaid, and we do most humbly beseech Your Majesty that it may be enacted, and be it enacted by the King's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

1 Amount of Sovereign Grant for the financial year 2027-28

(1) In section 1 of the Sovereign Grant Act 2011 (the Sovereign Grant), for subsection (3) substitute—

"(3) The amount of the Sovereign Grant for the financial year 2027-28 is £99.9 million."

(2) Accordingly, the following duties under the Sovereign Grant Act 2011 do not apply—

(a) the duty of the Royal Trustees under section 5(1) of that Act to prepare a report stating their determination of the amount of the Sovereign Grant for the financial year 2027-28;

(b) any duty of the Royal Trustees or the Treasury under that Act arising out of the preparation of such a report.

2 Determination of subsequent amounts of Sovereign Grant by Royal Trustees

(1) In section 6(1) of the Sovereign Grant Act 2011 (determination by Royal Trustees of the amount of Sovereign Grant for a financial year), in Step 1 (percentage of income account net surplus of Crown Estate to be used in determination), for "12%" substitute "20.5%".

(2) Accordingly, the following duties under the Sovereign Grant Act 2011 do not apply—

(a) the duty of the Royal Trustees under section 7(1) of that Act to review as soon as practicable after the end of the review period ending with 31 March 2026 whether the percentage specified in Step 1 of section 6(1) is appropriate;

(b) any duty of the Royal Trustees or the Treasury under that Act arising out of such a review.

3 Specification of subsequent amounts of Sovereign Grant by Treasury

(1) The Sovereign Grant Act 2011 is amended as follows.

(2) In section 1 (the Sovereign Grant), after subsection (4) insert—

"(4A) But see sections 6A and 6B (specification of amount of Sovereign Grant by Treasury in certain circumstances)."

(3) In section 5 (annual report as to the amount of Sovereign Grant), in subsection (1), at the end insert—

"If section 6A applies, the report must also include the statements required under that section."

(4) In section 6 (determination by Royal Trustees of the amount of Sovereign Grant for a financial year)—

(a) in subsection (1), in Step 4—

(i) for "subsection (2)" substitute "section 12";

(ii) for "such amount as they consider appropriate (but see subsection (4))" substitute "any amount that they consider

would result in the amount of the Sovereign Grant for the relevant financial year being an appropriate amount for that year (see subsection (5))";

(b) omit subsections (2) to (4);

(c) at the end insert—

"(5) An amount is an "appropriate amount" for the relevant financial year if the Royal Trustees consider that, were that amount the amount of the Sovereign Grant for that financial year, the adjusted value of the Reserve Fund at the end of that financial year would be no lower than 10% and no higher than 50% of the audited net relevant resources used for that financial year."

(5) After section 6 insert—

"6A Duty of Treasury to specify different amount of Sovereign Grant following annual report

(1) This section applies where—

(a) the Step 3 amount determined under section 6 for the purposes of determining the amount of the Sovereign Grant for a financial year ("the relevant financial year") is not an appropriate amount for that financial year (see section 6(5)), and

(b) the Royal Trustees are unable under Step 4 of section 6(1) to reduce the Step 3 amount so that the amount of the Sovereign Grant for the relevant financial year is an appropriate amount for that financial year.

(2) The report prepared under section 5 must—

(a) state that the amount of the Sovereign Grant determined in accordance with section 6 is not an appropriate amount for the relevant financial year, and

(b) state an amount of the Sovereign Grant that the Royal Trustees consider would be an appropriate amount for the relevant financial year.

(3) The Treasury must by regulations amend section 1(3) for the purposes of specifying the amount stated in the report under subsection (2)(b) as the amount of the Sovereign Grant for the relevant financial year.

(4) Regulations under this section are to be made by statutory instrument.

(5) A statutory instrument containing regulations under this section that increase the amount of the Sovereign Grant may be made only if a draft of the instrument has been laid before and approved by a resolution of the House of Commons.

(6) A statutory instrument containing regulations under this section that decrease the amount of the Sovereign Grant is subject to annulment in pursuance of a resolution of the House of Commons.

(7) For the purposes of subsections (5) and (6), whether regulations under this section increase or decrease the amount of the Sovereign Grant is to be determined by reference to the amount of the Sovereign Grant determined in accordance with section 6 for the relevant financial year.

6B Power of Treasury to increase amount of Sovereign Grant for current financial year

(1) The Treasury may by regulations amend section 1(3) for the purposes of increasing the amount of the Sovereign Grant for the current financial year, if the Treasury consider that there are exceptional circumstances that require the regulations to be made.

(2) "The current financial year" means the year in which the regulations are made.

(3) The Treasury must consult the Royal Trustees before making regulations under this section.

(4) Regulations under this section are to be made by statutory instrument.

(5) A statutory instrument containing regulations under this section may be made only if a draft of the instrument has been laid before and approved by a resolution of the House of Commons."

(6) In the heading of section 7 (review by Royal Trustees of Sovereign Grant), for "Review" substitute "Periodic review".

(7) For the heading of section 8 (power to change level of Sovereign Grant) substitute "Duty of Treasury to change level of Sovereign Grant following periodic review".

(8) In section 12 (definitions relating to amounts and values)—

(a) for the heading substitute "Meaning of expressions relating to amounts and values";

(b) after subsection (3) insert—

"(4) For the purposes of this Act "the adjusted value of the Reserve Fund" at the end of a financial year is the value of the Reserve Fund at the end of that year—

(a) increased by the amount of relevant payments made to the Fund, and

(b) reduced by the amount of relevant payments made from the Fund.

(5) In subsection (4) "relevant payment", in relation to a financial year, means a payment under section 3(3), (4) or (5) that—

(a) is made after the end of that year but in respect of that year, and

(b) is not reflected in the statement of accounts of the Reserve Fund for that year."

4 Commencement and short title

(1) Sections 1(2) and 2(2), and this section, come into force on the day on which this Act is passed.

(2) The other provisions of this Act come into force on 1 April 2027.

(3) This Act may be cited as the Sovereign Grant Act 2026.

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