BRITISH SOVEREIGN PARTY

THE BRITISH SOVEREIGN BUDGET

A serious working budget for a lower-tax, higher-growth, sovereign Britain.

£15,000 **Personal allowance**	**20%** **Income tax**	**5%** **Employee NI**
£0 **Inheritance Tax**	**£5.1bn** **Cannabis + hemp mature case**	**£3bn** **North Sea mature case**

The honest fiscal conclusion: the full tax destination has an estimated static cost of **£196.5bn a year**. Identified recurring savings and receipts are about **£93.4bn**, leaving a static gap of **£103.1bn** before growth. We do not hide that gap. The plan closes it over time through verified savings, a growing economy and a phased cash transition.

WORKING FISCAL MODEL • AUGUST 2026 • NOT AN OFFICIAL OBR/TREASURY FORECAST

1. Executive Summary

Britain should be a country where working, investing, building, inheriting and starting a business are rewarded. Government should protect the vulnerable, defend the country, secure the borders and provide excellent essential services — but stop wasting money on duplication, bureaucracy and programmes that cannot demonstrate value.

Move	What changes	Why it matters
Lower tax on work	£15k allowance, 20% income tax, 5% employee NI	Rewards work and investment
Smaller wasteful state	Efficiency office, procurement, quangos, digital reform	Releases money without targeting frontline care
Sovereign energy	North Sea licensing + British Energy Fund	Domestic supply, jobs and long-term wealth
New industries	Cannabis + industrial hemp	Tax revenue, farming, manufacturing and exports
Secure borders	End hotel dependency, faster decisions, lawful returns	Lower cost and greater control
Practical education	AI + trades + technical colleges	Prepares for automation

The OBR currently expects a 2025-26 deficit of about £133bn and public debt around 94.3% of national income. That is why this budget refuses to use fantasy accounting. ■cite■turn0search6■turn0search0■

2. The Tax Reform

A £15,000 personal allowance. Income above £15,000 taxed at 20%. Employee NI at 5% on earnings with no upper cap. Inheritance Tax abolished. Employer NI is left outside this first reform so the budget does not create another enormous immediate hole.

The current standard Personal Allowance is £12,570; current main rates are 20%, 40% and 45% in England, Wales and Northern Ireland, while Scotland has separate bands. ■cite■turn2search0■turn2search4■

Gross income	BSP income tax	BSP employee NI	Combined
£15,000	£0	£750	£750
£25,000	£2,000	£1,250	£3,250
£40,000	£5,000	£2,000	£7,000
£60,000	£9,000	£3,000	£12,000
£100,000	£17,000	£5,000	£22,000
£250,000	£47,000	£12,500	£59,500
£1m	£197,000	£50,000	£247,000

The working central estimate is £142bn for income tax, £45bn for employee NI and £9.5bn for IHT: **£196.5bn a year**. HMRC projects 40.8m income-tax payers in 2026-27. ■cite■turn3view0■turn1search36■

3. Funding Plan — No Magic Money Tree

Full tax destination: **£196.5bn**. Identified recurring savings/receipts: **£93.4bn**. Static gap: **£103.1bn**.

Measure	£bn/year	Status
Government efficiency office	15.0	Working estimate
Procurement reform	12.0	Working estimate
Civil service productivity	8.0	Working estimate
Consultancy reduction	3.0	Working estimate
Quangos/duplication	5.0	Working estimate
Local government efficiency	5.0	Working estimate
Digital government	2.0	Working estimate
Net Zero programme reset	8.0	Working estimate
Foreign aid	8.8	Working estimate
Asylum accommodation	2.5	Working estimate
Overseas war funding	3.0	Working estimate
DEI administration	1.0	Working estimate
Welfare fraud/error	3.0	Working estimate
Tax compliance	7.0	Working estimate
Cannabis tax	3.5	Working estimate
Cannabis licensing	0.8	Working estimate
Hemp industry taxes	0.8	Working estimate
North Sea receipts	3.0	Working estimate
Other receipts	2.0	Working estimate
TOTAL	93.4	Recurring package

The correct answer to the funding challenge is not to invent £100bn of 'efficiency savings'. The plan therefore makes the transition conditional: if savings or growth fail, the next stage of tax reform is delayed.

4. Government Efficiency — DOGE Britain

Create a Government Efficiency Office with access to departmental spending, procurement and project data. Publish a public dashboard showing targets, actual savings, methodology and service impact.

Area	Mature ambition	Method
Procurement	£12bn	Benchmarking, framework buying, contract renegotiation
Civil service productivity	£8bn	Digital systems, natural attrition, duplication removal
Consultancy	£3bn	Use external firms only where genuinely necessary
Quangos	£5bn	Merge or close overlapping bodies
Local government	£5bn	Shared services, procurement, digital
Digital government	£2bn	Common identity, payments and case management
TOTAL	£35bn	Verified annually

The £35bn is a mature efficiency ambition, not a first-year cheque. No saving counts until independently verified.

The principle is simple: if a clock needs £40 of batteries, do not cut the clock — fix the procurement system.

5. NHS, Disability and the Elderly

Frontline healthcare and genuine disability support are protected. The reform targets waste, duplicated administration and poor purchasing.

Reform	Objective
National price benchmarking	Stop extreme price variation
Digital records	Reduce duplicated paperwork and tests
Management review	Remove duplication, preserve clinical leadership
Discharge reform	Reduce hospital days caused by care bottlenecks
Fraud/error controls	Recover money without cutting genuine claims
Procurement transparency	Every major purchase has a benchmark

There is no arbitrary NHS headline cut in this budget. Efficiency must prove itself.

Genuine disability support is protected. Pension commitments remain core and are reviewed transparently for long-term affordability.

6. Borders, Immigration and Asylum

Secure the Channel, disrupt smuggling gangs, process claims rapidly and remove people with no lawful right to remain, subject to the law in force.

The Home Office recently reported £4.7bn of asylum-support spending in a year, including about £9m per day on asylum hotels. The Office for Value for Money reported £2.1bn of Home Office hotel spending in 2024-25. ■cite■turn0search27■turn0search34■

Policy	Budget treatment
End hotel accommodation	£2.5bn recurring saving once replacement capacity is live
Returns system	Initial investment before savings
Border enforcement	£1.2bn one-off capacity
Faster decisions	Reduces accommodation duration
Legal migration	Skills-based and transparent
Benefits	Defined citizenship/lawful-residency rules

7. Foreign Policy — Britain First, Not Britain Alone

Cooperate internationally where it benefits Britain: trade, intelligence, organised crime, diplomacy, maritime safety and genuine humanitarian emergencies. Open-ended foreign commitments end.

Policy	Position	Budget
Foreign aid	End standing programme	~£8.8bn near-term envelope
Overseas wars	No open-ended funding	£3bn illustrative
Defence	Territorial focus	Protected/refocused
Europe	Sovereign relationship	Negotiated withdrawal where required
ECHR	Leave framework	Replacement rights framework
Diplomacy	Retain	Protected

UK ODA was £13.0bn in 2025 and is being reduced toward 0.3% of GNI by 2027; this model therefore uses an £8.8bn near-term envelope. ■cite■turn0search18■turn0search3■

8. Energy Independence and the North Sea

End the statutory Net Zero target and replace it with energy security, affordability, resilience and measurable environmental outcomes. Open new North Sea licensing rounds with strict safety and decommissioning obligations.

Measure	Working assumption
North Sea receipts	£3.0bn mature-case Exchequer receipt
British Energy Fund	At least 25% of net resource receipts
Debt reduction	At least 25% once fund minimum is met
Domestic investment	Remaining share via business cases
Decommissioning	Operator-funded

The OBR's March 2026 forecast has UK oil and gas revenues falling from about £4.1bn in 2025-26 to £2.5bn in 2026-27. The £3bn figure here is therefore a mature working case, not a fantasy windfall. ■cite■turn1search36■

9. Cannabis and Hemp — A New British Industry

Legal recreational cannabis under a strict licensed system. Licensed farming, processing, testing, wholesale and retail replace the criminal supply chain for adults.

Mature revenue	Annual estimate
Cannabis excise/VAT	£3.5bn
Cannabis licences	£0.8bn
Hemp-related taxes	£0.8bn
TOTAL	£5.1bn

£5.1bn is a mature-market policy estimate, not an official forecast. Early years are lower; core services do not depend on it.

Hemp becomes a commercial British crop for fibre, textiles, paper, packaging, composites, insulation and bioplastics.

Impaired driving remains illegal; any reform should move toward scientifically validated impairment testing.

10. Education for the AI Economy

Teach children how to use AI responsibly while expanding practical education in the trades that will remain essential.

Area	Programme
AI literacy	Use AI, verify outputs, privacy, responsible use
Trades	Plumbing, electrical, construction, machining, maintenance
Technical colleges	Modern workshops linked to employers
Apprenticeships	Funding linked to completion/employment
Adult retraining	Modular accounts for displaced workers
Digital skills	Coding, cybersecurity, data and productivity

Initial capital commitment: £2bn for technical-college infrastructure, with future expansion tied to employment outcomes.

11. Investment Britain

Make Britain a place where investors can understand the rules, build quickly and retain more of the reward from success.

Policy	Economic objective
Tax simplicity	Lower compliance cost and stronger incentives
Investment allowances	Reward productive capital
Planning reform	Build homes and factories faster
Grid reform	Connect productive projects faster
Skills	Increase domestic labour productivity
Energy	Reduce imported-energy exposure
Digital government	Reduce time dealing with the state

No additional corporation-tax cut is assumed in the initial budget. Future reductions require a falling debt trajectory.

12. Housing, Local Government and Local Power

More homes and more local decision-making. Councils get greater responsibility where national uniformity is unnecessary, with stronger transparency.

Reform	Rule
Planning	Digital, faster, predictable deadlines
Housing supply	Infrastructure-first development
HMOs	Local safety regulation; no taxpayer-funded perverse incentives
Council procurement	Open contracts and price benchmarking
Shared services	Use where they genuinely reduce cost
Local budgets	Clear public dashboards

13. Sovereignty, Rights and Limits on Government

The party proposes withdrawal from the ECHR framework and a British Bill of Rights, enacted through Parliament with transitional safeguards.

MPs and councillors disclose membership and financial interests in external organisations. The enforceable test focuses on binding obligations, financial interests or undisclosed influence rather than banning ordinary civic membership.

Free speech, privacy, due process and proportionate government power are core principles. Emergency powers require clear legal tests, parliamentary scrutiny and sunset clauses.

14. Public Health and Personal Choice

The budget supports evidence-based healthcare, informed consent and transparent safety monitoring.

It deliberately does not assert unsupported claims that particular vaccines caused particular cancers, strokes or deaths. A serious political programme should demand evidence, independent review and transparent adverse-event reporting.

Future health emergencies should have independent evidence review, parliamentary oversight and sunset clauses for extraordinary powers.

Drug-driving reform should focus on impairment where scientifically validated; road safety remains paramount.

15. Defence, Resilience and British Industry

Non-interventionism is not disarmament. Britain needs credible territorial defence, cyber defence, intelligence, air defence, naval security and domestic munitions capacity.

Priority	Policy
Territorial defence	Highest priority
Cyber	Expand defensive capability
Munitions	Long-term domestic production
Navy	Channel, North Atlantic and maritime security
Drones	British manufacturing
Resilience	Energy, food, medicines and communications

16. The Fiscal Scorecard

£196.5bn **full static tax cost**	**£93.4bn** **identified recurring offsets**	**£103.1bn** **static gap before growth**
£35bn **mature efficiency ambition**	**£5.1bn** **mature cannabis/hemp case**	**£3bn** **North Sea working case**

This is the uncomfortable truth: the complete £15k/20%/5% package cannot be responsibly funded on day one from the savings currently identified.

The solution is to legislate the destination immediately, but make the cash transition conditional on permanent funding. If the numbers fail, the next stage pauses. That is how the plan avoids blowing a hole in the public finances.

17. Ten-Year Fiscal Transition

Illustrative internal scenario — not an OBR forecast. It uses the OBR's roughly £133bn starting deficit benchmark.

Year	Tax cash cost	Savings + growth	One-off	Net improvement	Residual deficit*
Y1	£49.1bn	£93.4bn	£5.0bn	£39.3bn	£93.7bn
Y2	£88.4bn	£106.4bn	£0.0bn	£18.0bn	£115.0bn
Y3	£127.7bn	£118.4bn	£0.0bn	£-9.3bn	£142.3bn
Y4	£161.1bn	£130.4bn	£0.0bn	£-30.7bn	£163.7bn
Y5	£196.5bn	£143.4bn	£0.0bn	£-53.1bn	£186.1bn
Y6	£196.5bn	£156.4bn	£0.0bn	£-40.1bn	£173.1bn
Y7	£196.5bn	£168.4bn	£0.0bn	£-28.1bn	£161.1bn
Y8	£196.5bn	£178.4bn	£0.0bn	£-18.1bn	£151.1bn
Y9	£196.5bn	£188.4bn	£0.0bn	£-8.1bn	£141.1bn
Y10	£196.5bn	£196.4bn	£0.0bn	£-0.1bn	£133.1bn

*Residual deficit is a simple scenario against the £133bn starting benchmark. It is not a forecast of future borrowing, because GDP, interest rates, demographics and the OBR baseline would all change.

Hard rule: if growth or savings underperform, the tax transition slows. Government does not borrow simply to maintain a scheduled tax cut.

18. First 100 Days

Time	Action
Day 1	Tax Simplification Bill + Government Efficiency Bill
Day 1	North Sea licensing programme announced
Day 1	Freeze new non-essential programmes pending review
Day 30	Publish central-government procurement benchmarks
Day 30	Begin asylum hotel exit programme
Day 45	Introduce cannabis licensing legislation
Day 60	British Energy Fund Bill
Day 60	Education/skills overhaul legislation
Day 90	First zero-based departmental spending review
Day 100	Public savings dashboard

The first 100 days are about changing the machinery that creates the waste and tax burden, not simply announcing another list of promises.

19. Risk Controls

Risk	Automatic response
Tax reform costs more	Slow the next phase
Growth disappoints	Do not count growth in advance
North Sea receipts fall	Do not fund core spending from resource receipts
Cannabis disappoints	Core budget remains unaffected
Efficiency target fails	Unverified savings are removed from the scorecard
Interest costs rise	Pause discretionary tax expansion
Legal reform delayed	Existing law remains until replacement is enacted

A serious budget needs failure mechanisms. These rules stop one optimistic forecast from becoming a national financial crisis.

20. The British Sovereign Contract

Lower taxes. Keep more of your earnings.

Protect the vulnerable. Disabled people and elderly people are not the easy target.

Secure Britain. Control the border and enforce the law.

Build wealth. North Sea, hemp, cannabis, manufacturing, technology and investment.

Educate for the future. AI, engineering and practical trades.

Stop waste. Government must prove value for money.

Defend Britain. Strong territorial defence without endless foreign wars.

Respect liberty. Government power should have limits.

Live within our means. Lower taxes become permanent only when the books can sustain them.

BRITAIN BACK IN BUSINESS.

A fair Britain. A prosperous Britain. A sovereign Britain.

This is a political working budget. Before publication as a definitive manifesto budget, commission a full microdata costing and independent scrutiny of every line.