

BT when  
Chancellor  
writes (probably  
1/9) WH 26/8



I have passed on your  
comments to the  
Chancellor's office so  
that he can consider  
them when taking  
advice.

Treasury Chambers, Parliament Street, SW1P 3AG  
01-233 3000

WH  
26/8

19 August 1981

W. Ricketts, Esq.,  
Private Secretary,  
10, Downing Street

Manuscript note deleted and  
dated, 40 years, under FOI  
Exemption.

Wayland  
8 August 2013

Dear Willie,

THE INCOME OF THE PRINCE OF WALES

... We spoke by telephone about the handling of the attached  
submission from Sir Douglas Wass to the Chancellor  
enclosing a draft letter from the Chancellor to the  
Prime Minister about the arrangements for the future  
expenditure of the Prince of Wales following his wedding.  
I explained that we were not able to send papers to the  
Chancellor in Portugal, but would be putting the  
submission to him on his return on 28 August. This  
would leave time for him to put a submission to the  
Prime Minister on the subject before her visit to  
Balmoral the following weekend.

You suggested that it would be helpful if the Prime  
Minister were to see these papers over the weekend of  
29/30 August in order to familiarise herself with the  
issues. On this basis I am sending you an advance copy  
of the submission so that it can go into the relevant  
weekend box. The Chancellor will let the Prime Minister  
know his views on 1 September.

Yours ever,  
Peter

P.S. JENKINS

I doubt whether we are  
being sufficiently generous in the  
context of family. Could we not  
what he will surely only do





The National Archives

LETTERCODE/SERIES ..... <i>PREM 19</i> .....	Date and sign
PIECE/ITEM ..... <i>897</i> ..... (one piece/item number)	
Extract/Item details:  <i>Minute from WASS to Chancellor of the Exchequer dated 19 August 1981</i>	
CLOSED FOR ..... <i>40</i> ..... YEARS UNDER FOI EXEMPTION	<i>8 August 2013 Wayland</i>
RETAINED UNDER SECTION 3(4) OF THE PUBLIC RECORDS ACT 1958	
TEMPORARILY RETAINED	
MISSING ON TRANSFER	
MISSING	
NUMBER NOT USED	



DRAFT LETTER:-

Chancellor of the Exchequer to the Prime Minister

PRINCE OF WALES AND DUCHY OF CORNWALL REVENUES

We have to decide what to do about the Duchy of Cornwall Revenues following the recent marriage of the Prince of Wales. The present position is that when the Duke of Cornwall came of age in 1969, he was entitled to the whole of the revenues of the Duchy (tax free). However, in agreement with the Government of the day, the Duke undertook voluntarily to surrender 50% of the Revenues to the Consolidated Fund, this arrangement was subject to review in the event of his marriage or some other changes of circumstances.

2. The attached minute by Douglas Wass to me sets out in some detail the facts and figures associated with the decision.

\* ~~~~~ \*  
\* ~~~~~ \* that from 1981 he should voluntarily surrender 25% of the Duchy of Cornwall Revenues to the Consolidated Fund. I endorse this recommendation. In law, these revenues belong to the Prince and he is free to decide how much he will surrender. In the aftermath of the wedding the personal popularity of the Prince has never been higher; so a September announcement should not attract adverse comment - except from the traditional anti-monarchists, who may, for once, think a low profile is advisable.

3. The surrender will compare with a 33% surrender by the previous Prince of Wales, who was, however, a bachelor while he was Duke of Cornwall, so even that comparison is not unfavourable. \* ~~~~~ \*

\* ~~~~~ \* Passages deleted and closed, 40 years,  
under FOI Exemption. @Wayland

8 August 2013



TPS

CONFIDENTIAL until 5.00 p.m. 25th August, 1969

PRESS STATEMENT

FOR RELEASE BY BUCKINGHAM PALACE  
at 5.00 p.m. on Monday 25th August, 1969

By Section two of the Civil List Act 1952 the net annual revenues of the Duchy of Cornwall, during the minority of His Royal Highness The Prince of Wales, are at the disposal of Her Majesty The Queen, subject to the deduction of an allowance payable to His Royal Highness. The balance of the net annual revenues of the Duchy, at the disposal of Her Majesty, has been used to reduce the yearly sum of £475,000 paid from the Consolidated Fund for the Queen's Civil List. The total Consolidated Fund grants to the Civil List have thus been reduced by some £2½ million since 1952.

From the Prince of Wales's majority on 14th November 1969, His Royal Highness, as Duke of Cornwall, becomes entitled to the whole net revenues of the Duchy.

His Royal Highness has offered to make over to the Consolidated Fund, as from the date of his majority, half of the Duchy of Cornwall net revenues. This offer has been accepted by the Government. It has been agreed that the amount to be made over should be subject to review on His Royal Highness's marriage or in the light of other changes in circumstances.



NOTES FOR GUIDANCE OF PRESS OFFICERS

The Government recognise and appreciate the considerations which have led the Prince of Wales to offer to make over to the Consolidated Fund half of the Duchy of Cornwall net revenues to which he will become entitled on his coming of age.

2. The net revenues of the Duchy of Cornwall are the amounts remaining out of the income from the Duchy estates after all the expenses of the estates have been met. In 1968, the net revenues amounted to some £220,000.
3. The Civil List makes no provision for the Prince of Wales or for any family he may have (other than for his widow in the event of his decease). His expenses therefore fall to be met out of his income from the Duchy of Cornwall. Now that he is beginning to take a share in the public duties of the Royal Family, he needs a small "household" of his own, and his expenses include the salaries and other payments associated with that. The amount to be retained by the Prince is considerably in excess of his current expenses. His expenses can, however, be expected to grow as his share in the public duties of the Royal Family increases. The excess over his immediate expenses will make possible the gradual building up of a reserve fund to cover expenses and contingencies for which there would otherwise be no provision.
4. At this early stage of the Prince's career it is impossible to foresee his needs in five or ten years' time, let alone still further in the future. No attempt has been made to forecast and provide for every conceivable requirement during his time as Prince of Wales. The amount of the offer is thus related to what can be reasonably foreseen at present. The provision for review enables the amount to be reconsidered in the light of experience and changing circumstances - the most obvious of which would of course be the Prince's marriage.
5. From 14th November 1969 the Consolidated Fund grant of £475,000 a year to the Civil List will be paid in full. The amounts made over by the Prince of Wales out of Duchy of Cornwall net revenues will be paid into the Consolidated Fund and will be shown as part of the miscellaneous receipts in the annual accounts of that Fund presented to Parliament by the Treasury in accordance with section 21 of the National Loans Act 1968.



CONFIDENTIAL

[The following paragraphs not to be used except in reply to a direct question]

6. In making this offer the Prince of Wales is following the example of his great-uncle, Edward Prince of Wales, who made over to the Consolidated Fund some £20,000 a year from 1921 until his accession in 1936. If allowance is made for the change in the value of money since the 1920's and 1930's, the sum to be retained by Prince Charles will represent a considerably smaller amount than the average amount retained by Prince Edward between 1921 and 1936.

7. The Prince of Wales is not liable to income tax or surtax on the net revenues of the Duchy of Cornwall. He would, however, be liable to taxation like any other subject of Her Majesty on income received from any other source.



SECTION 7 OF DUCHY OF CORNWALL MANAGEMENT BILL

7. (1) On the application of the Duke of Cornwall any transaction affecting Duchy property and not otherwise authorised may be authorised by the Treasury if they consider that it will be conducive to the good management of the Duchy.

Power of Treasury to sanction transactions.

(2) An authorisation may be given under subsection (1) above for a particular transaction or for transactions of a particular description.





The National Archives

LETTERCODE/SERIES ..... <i>PREM 19</i> .....	Date and sign
PIECE/ITEM ..... <i>897</i> ..... (one piece/item number)	
Extract/Item details:  <i>Letter from Adeane to Pattison dated 7 August 1981</i>	
CLOSED FOR ..... <i>60</i> ..... YEARS UNDER FOI EXEMPTION	<i>8 August 2013</i> <i>Wayland</i>
RETAINED UNDER SECTION 3(4) OF THE PUBLIC RECORDS ACT 1958	
TEMPORARILY RETAINED	
MISSING ON TRANSFER	
MISSING	
NUMBER NOT USED	





The National Archives

LETTERCODE/SERIES ..... <i>PREM 19</i> .....	Date and sign
PIECE/ITEM ..... <i>897</i> ..... (one piece/item number)	
Extract/Item details:  <i>Letter from Pattison to Adeane dated 6 August 1981</i>	
CLOSED FOR ..... <i>40</i> ..... YEARS UNDER FOI EXEMPTION	<i>8 August 2013</i> <i>Wayland</i>
RETAINED UNDER SECTION 3(4) OF THE PUBLIC RECORDS ACT 1958	
TEMPORARILY RETAINED	
MISSING ON TRANSFER	
MISSING	
NUMBER NOT USED	





The National Archives

LETTERCODE/SERIES ..... <i>PREM 9</i> .....	Date and sign
PIECE/ITEM ..... (one piece/item number) <i>897</i>	
Extract/Item details:  <i>minute from Wright to Pattison dated 3 August 1981, with attached draft letter</i>	
CLOSED FOR ..... <i>40</i> ..... YEARS UNDER FOI EXEMPTION	<i>8 August 2013 Wayland</i>
RETAINED UNDER SECTION 3(4) OF THE PUBLIC RECORDS ACT 1958	
TEMPORARILY RETAINED	
MISSING ON TRANSFER	
MISSING	
NUMBER NOT USED	