

Politics is no longer for sale

October 2026

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Autonomy Institute

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This report was commissioned by Ecotricity.

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Autonomy Institute

Autonomy is an independent research organisation which creates data-driven tools and research for sustainable systems.

Published 2026 by

The Autonomy Institute©

Kinnoull Road

London

E58EB

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Executive summary

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- The UK has a public trust problem: this is exacerbated by a parliamentary system whereby public officials and their political parties are funded by wealthy private interests.

- This paper outlines how we could reform the system entirely, get private money out of politics, restore some trust amongst the public whilst also giving every eligible voter greater material leverage in their political commitments.

- We propose two models in this paper:
    - **A dual-channel 'multiplier' model**, whereby those parties with representation in Parliament receive public money, annually, as a multiplier of membership numbers of each party.
    - **A 'democracy voucher' model,** whereby each eligible voter in the UK can digitally allocate £1 of public funds to a party of their choice annually.

  Both try to balance democratic engagement with baseline economic security for the party system and both have their merits.
- We propose that funding for either system should come from a redirection of the Sovereign Grant that usually goes to the Crown Estate.

- The annual costs would come to around £50 million per year, which could increase depending on which system you use and depending on the political engagement of the UK population.

- This is a relatively tiny amount of money, given current state spending, and yet it would achieve a great deal for our democracy and for political engagement.

Introduction

Introduction: ending the ‘politics for sale’ system

With private money pouring into British democracy, it’s no wonder the public has stopped believing in it.[1] We have a political funding model that allows private wealth to purchase access, influence, and most likely policy. Reform UK's recent £72 million in donations are the obvious case in point: one of the highest-polling parties in the UK now has 80% of its funding coming from just two billionaires.[2]

At the Autonomy Institute, we have spent the last few years building comprehensive data sets on political finance detailing who funds UK political parties, how much they give, and what they appear to get in return.[3] This research, alongside the work of organisations such as Transparency International, Spotlight on Corruption and Democracy for Sale, all point in the same direction: the era of private funding must end.

As political theorist Samuel Bagg notes, democracy relies on preventing the capture of our governing institutions by elite groups. Yet under the present rules, wealthy individuals and corporations can pour vast sums into politics, dwarfing the voice of the average citizen. When a construction magnate donates £500,000 to the governing party, and his firm subsequently wins public contracts, the democratic principle is fundamentally broken. Our research has documented 373 companies that sit on both sides of this exchange: donating to parties while receiving public contracts.[4] For every £1 these “giver and taker” firms have donated since 2000, over £1,294 of public funds has flowed back to them in the form of government contracts. This is not merely a coincidence but rather a structural incentive baked into the system.

Our most recent analysis showed that Labour’s business donations surged by 1,707% between the 2019 and 2024 pre-election periods, rising from under £1 million to over £14 million.[5] But it is not a problem confined to just one party: corporate funding’s share of all pre-election finance reached 29% in 2024 – the highest level this century. The gravitational pull of private money is now distorting both Labour and the Conservatives – not to mention Reform UK’s rocketing income

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[1] YouGov (2024) https://yougov.com/en-gb/articles/50459-who-do-britons-trust-to-tell-the-truth
[2] Democracy for Sale (2026) ‘80% of Reform’s funding comes from two crypto billionaires’. Available at: http://democracyforsale.substack.com/p/breaking-80-of-reforms-funding-comes
[3] Autonomy (2024) *Politics for Sale.* Available at: https://autonomy.work/portfolio/politics-for-sale/
[4] Autonomy (2025) *Givers and Takers.* Available at: https://autonomy.work/portfolio/givers-and-takers-uncovering-the-donor-contractor-nexus-at-the-heart-of-government/
[5] Autonomy (2026) *Labour, the Party of Capital?* Available at: https://autonomy.work/portfolio/labour-the-party-of-capital/

from multimillionaires.[6] Tinkering with transparency requirements – as the recent Representation of the People Bill broadly does – is no longer sufficient and that Bill could well be a missed opportunity. What is needed is a clean break: the elimination of private donations to political parties, replaced by a fair and transparent system of public funding.

Slashing the financial incentive would do three key things: it would dampen, or destroy, any informal agreements between donors and political parties, breaking the links of corruption; it would force parties to broaden their appeal in order to accrue a wider base of paid members; and most importantly of all it would be a clear signal to the public that their politicians are no longer being bought off.

A predictable objection to public funding is that it is politically unviable: the public will never accept "taxpayers' money going to politicians". This objection deserves serious engagement, but ultimately doesn't hold water.

Firstly, the framing is essential. Public opposition to "giving taxpayers' money to politicians" is understandable, particularly when more than two-thirds of Britons feel that politicians primarily act out of self-interest and only 4% see politicians as doing what's best for the country.[7] Who would want to give politicians money when the question is posed in those terms? But when the same proposition is framed as "removing the ability of corporations and wealthy individuals to buy political influence," public support would likely flip dramatically.[8] France's ban on corporate donations, for instance, was driven by a series of corporate corruption cases.[9] The partial public funding mechanism was presented not as a gift to politicians but as the price of getting private money out – effectively a democratic insurance policy. Thus, the political viability of public funding depends entirely on whether it is presented as the cost of cleaning up politics or as a subsidy for politicians.

Secondly, this is not a radical experiment: banning donations is established practice in countries the British public would recognise as democratic peers. France has operated its system since 1988, Canada since 2004, Germany since 1967. These are mature democracies with electorates no more naturally inclined to fund politicians than the British. France's system costs roughly €65 million per year for a country of 68 million people.

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[6] *The Guardian* (2026) 'Christopher Harborne matches £36m Reform donation of Ben Delo'. Available at: https://www.theguardian.com/politics/2026/sep/12/christopher-harborne-matches-36m-reform-donation-of-ben-zelo

[7] YouGov (2025) 'Do Britons think politicians are out for themselves?' Available at: https://yougov.com/en-gb/articles/52925-do-britons-think-politicians-are-out-for-themselves

[8] Transparency International (2026) 'Latest YouGov poll shows the public want an end to big money in politics'. Available at: https://www.transparency.org.uk/news/latest-yougov-poll-shows-public-want-end-big-money-politics

[9] BBC (2010) 'How 'rotten' is France's politics?' Available at: https://www.bbc.co.uk/news/10558757

If private donations are to be banned, the replacement must be credible, fair, and resistant to partisan manipulation. We propose two models in this paper: a dual-channel ‘multiplier’ model and a ‘democracy voucher’ model – both try to balance democratic engagement with baseline economic security for the party system.

At the heart of the ‘multiplier’ proposal is a strikingly simple idea: tie every party’s annual budget to the size of its actual democratic membership. Under this “democratic multiplier” model, the state would pay £50 a year for each paid-up member of any party holding at least one Commons seat – a formula that would provide a decent budget for today’s politics, and one that rewards parties for doing the unglamorous work of persuading real people to sign up. To stop this from quietly hollowing out smaller parties, a Participatory Democracy Fund would sit behind it as a backstop, guaranteeing every qualifying party a floor of £3 million a year so that no party with a parliamentary foothold is starved out of meaningful political life. And crucially, membership subscriptions would also remain in place, but capped at a £10 monthly maximum. This ensures that the lifeblood of party finance flows from a broad democratic base rather than from a handful of well-connected cheque-writers.

At today’s membership levels, this model would cost the taxpayer around just over £50 million annually, which could be paid for entirely from a ringfenced fund drawn from the highly profitable Crown Estate. This is an incredibly low price to pay for a cleaner, more engaged politics: we would shift the balance of power drastically overnight, from a small elite to a wider electorate whose political convictions now carry new weight.

How could we cut out private money from our politics?

Model 1: “Democracy Multiplied”

If private donations are to be banned, the replacement must be credible, fair, and resistant to partisan manipulation.[10] We propose a dual-channel model that balances democratic responsiveness with institutional stability, and distributes funds to all qualifying parties through two complementary mechanisms. Beyond this, capped membership fees are still permissible.

1. The democratic multiplier

Every political party's annual budget is set by a single, transparent formula: its number of paid-up members, multiplied by £50, paid by the state.

To qualify, a party must hold at least one seat in the House of Commons, so public money follows demonstrated electoral support. At today's membership levels, the total cost to the taxpayer would be around £50 million a year. Every party's budget would reflect the genuine size of its engaged democratic membership: the bigger the membership, the bigger the budget. The only legitimate way to grow a party's resources is to grow its democratic base. Equally, if an individual wants to improve a particular party’s finances (and fortunes), then they have an incentive to become a member – thus likely increasing democratic engagement. It will obviously have to be mandated that there are relatively short (or nonexistent) notice periods should individuals wish to revoke their membership of any particular party (so as to prevent any gaming of the system).

2. The backstop: a Participatory Democracy Fund

A purely member-based model risks entrenching large parties at the expense of smaller ones and risks some parties falling. To counter this, a ‘Participatory Democracy Fund’ would provide a backstop amount of money should any qualifying party not receive a minimum amount. This ‘baseline’ grant (which would vary depending on how much of a shortfall there is) ensures that even smaller parties have sufficient resources to participate meaningfully in democratic life. We propose a minimum amount of £3 million per year for each qualifying party. The cost of financing this minimum standard is hard to estimate, but it is likely that few parliamentary parties would require the use of the Fund due to the member-based financing system. On our calculations of current data, only two political parties would currently miss the £3m threshold, due to membership size.[11]

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[10] The following assumes that Short Money, Cranborne Money, Policy Development Grants, devolved-parliament assistance are all still separately in place.

[11] See Appendix 1 for indicative figures.

3. Keeping membership fees in the mix

This system doesn't exclude political party membership subscriptions but puts strong caps on them. Mandated caps are essential so as to not allow huge subscription price brackets (which would be a way around a strict 'donations' ban). Given that the party will already receive £50 per member as part of this system, membership fees should be capped at £10 per month (most are currently well under this).

4. Governance

The Democracy Fund would be overseen by a reformed Electoral Commission with enhanced independence and enforcement powers, including the authority to audit party membership numbers and impose meaningful sanctions on any party that breaks the rules. The budget could sit within the Cabinet Office. See later chapter 'How could this be funded?' for a full funding mechanism.

Model 2: “Democracy Vouchers”

An alternative scheme would allow every eligible UK voter to annually allocate £1 of public funds to a chosen political party. This system would have the benefit of simplicity, at least on the face of it.

The maximum annual cost would equal the size of the eligible voter base multiplied by £1. The figure therefore depends entirely on how we define an 'eligible voter'.

Calculating this cost

Definition 'eligible voter’	Population	£1 per voter
Registered parliamentary electorate (2024 GE) [12]	48,208,507	**£48.2 million**
All eligible adults (incl. unregistered) [13]	~50,000,000	**~£50.0 million**
Only those who actually voted (2024 turnout 59.7%)[14]	~28,700,000	**~£28.7 million**

Considerations for this model

- **Opt-in vs. universal:** this system would run on an annual basis and require active participation for allocation.

  If voters must actively assign their £1, then we can expect a minority of eligible voters to do this in reality. If we take the 2024 election turnout (59.7%) as an indicative participation rate, then this would cap the democracy voucher spend at ~£28.7m, which would mean a smaller pot to draw from and likely lower budgets for the UK’s main political parties all round. Alternatively, the system could include a mechanism by which all remaining funds *after* active voter allocation are spread across the parties – either equally, or according to membership count or according vote share at the last general election (etc.).

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[12] House of Commons Library, General Election 2024 results (CBP-10009): UK parliamentary electorate at the 2024 General Election was 48,208,507.
[13] Office for National Statistics, Electoral Statistics for the UK 2023: ~50 million estimated eligible adults including unregistered.
[14] House of Commons Library, General Election 2024 results: total valid votes cast were approximately 28.7 million; turnout was 59.7%.

- **Administration:** delivery would happen via the Electoral Commission which would add operational overheads, plausibly £2–5m/year on top of the headline transfer.

  The cost of the digital set up of this scheme is also not negligible: it will cost money to establish and maintain – likely as part of a gov.uk account voters can sign up to. This could be a good investment, but should be factored into the weighing up of options and as another bit of admin necessary for the system to work.

How could this be funded?

How could this be funded?

The Crown Estate generates over £1 billion per year of public revenue. 12% of this currently funds the monarchy. If we reduced that share to 6%, with the difference ringfenced as a Democracy Fund, it would cover the full cost of either funding scheme of £50 million (and upwards) per year.[15] The Sovereign Grant would remain comfortably above its historic level, the legislation would be a single short amendment to existing law, and the proposal carries a strong justification, namely that the Crown Estate has belonged to the nation, not the monarch personally, since 1760.

The Crown Estate is a portfolio of land and assets held in right of the Crown but managed independently for public benefit. Its profits have flowed to the Treasury since 1760, when George III surrendered them in exchange for what was then called the Civil List. The Crown Estate now generates around £1.1 billion of net surplus per year, a figure inflated by recent offshore wind leasing rounds.[16]
Of that surplus, a fixed percentage is returned each year to the monarchy as the Sovereign Grant. The percentage is set under the Sovereign Grant Act 2011 and reviewed every five years by the Royal Trustees, namely the Prime Minister, the Chancellor of the Exchequer, and the Keeper of the Privy Purse. The rate stood at 25% during the Buckingham Palace reservicing programme.

It was reduced to 12% from April 2024 in light of the surge in Crown Estate profits, with the Sovereign Grant for 2025 to 2026 standing at approximately £132 million.

A modest reduction in this percentage, with the difference ringfenced for democratic purposes, could fund a public party funding scheme of the scale being considered in our proposal without any new tax or any new draw on the Consolidated Fund.

[15] Reducing the Sovereign Grant to 6% would unlock £66 million per year, using 2023/4 figures.
[16] The Crown Estate (2025). Available at: https://www.thecrownestate.co.uk/news/the-crown-estate-delivers-1.1-billion-net-revenue-profit-for-the-UK

Amending the Sovereign Grant Act

The change requires a short amendment to the Sovereign Grant Act 2011, principally to sections 1 and 6. The bill would carry financial privilege as a money bill, meaning the House of Lords could not block it under the Parliament Acts. The next scheduled five-year review of the percentage falls in the 2026 to 2027 cycle, providing a natural legislative window. The amendment could take one of three forms:

- The first option is to reduce the percentage (which is what we've opted for). Setting the rate at 5% of Crown Estate net surplus would, on current figures, free roughly £75 to £80 million per year. Setting it at 8% would free roughly £44 million, closely matching the cost of a £1 per voter scheme. Even at the lower rate, the Sovereign Grant would remain higher in real terms than the Civil List ever was.
- The second option is to replace the percentage with a fixed cash sum, indexed for inflation. This is essentially the pre-2011 Civil List model. It is politically easier to defend because it caps royal funding rather than appearing to reduce it year-on-year, and the redirected amount is the difference between the cap and the current trajectory.
- The third option is hypothecation. A new clause in the Act would divert a defined slice of Crown Estate net surplus directly into a new fund, for example a Democracy Fund administered by the Electoral Commission, before the Sovereign Grant is calculated. This framing avoids any direct cut to royal income and presents the change as a rebalancing of how Crown Estate revenue is allocated, rather than a reduction in what the monarch receives.

What could this bring in for our democracy?

At the current Crown Estate net surplus of around £1.1 billion, the existing 12% rate produces a Sovereign Grant of approximately £132 million. Holding everything else constant:

- A reduction to 10% would release approximately £22 million per year.
- A reduction to 8% approximately £44 million.
- A reduction to 6% approximately £66 million.
- A reduction to 3% approximately £99 million.

The full target range of £20 million to £100 million can therefore be met without taking the Sovereign Grant below its historic real-terms level. The figures will fluctuate with Crown Estate profits, which have been volatile and trending upward.

Risks and mitigations

Some issues are likely to arise:

Firstly, any change to monarchy funding will be read by parts of the press as a republican move, regardless of the substance. The hypothecation framing, in which Crown Estate revenue is rebalanced rather than royal income reduced, is the strongest defence. Polling on Sovereign Grant reform has generally been more favourable than polling on republicanism itself, suggesting that the two questions should be kept separate in public messaging.

Secondly, the redirected amount is volatile because it tracks Crown Estate profits two years in arrears. A Democracy Fund relying on this stream needs either a smoothing mechanism, such as a three-year rolling average, or a statutory floor underwritten from the Consolidated Fund. The existing Sovereign Grant Act already contains a cash floor that prevents the Grant falling year-on-year, and the redirect bill would need to modify that floor to take effect.

Appendix

Appendix: a party membership-based system in action

The below table uses existing self-reported and/or audited membership figures for different political parties in the UK. It then calculates the £50 per member funding amount for each party. These numbers will change:

A. Because there will be a strong incentive for parties to increase their memberships over time (and to keep existing members).
B. Because some parties, e.g. Reform UK have not had their membership figures audited (it is just a website tracker currently), so the numbers could be slightly (or drastically) different.
C. Other parties, such as Plaid Cymru, have data available only from 2022.

Party	Members	Annual, publicly funded budget (£m)	% of total
Reform UK	275,000	£13.75m	27.3%
Labour	250,000	£12.50m	24.8%
Green Party (E&W)	226,000	£11.30m	22.4%
Conservative	131,680	£6.58m	13.1%
Liberal Democrats	60,000	£3.00m	6.0%
SNP	55,000	£2.75m	5.5%
Plaid Cymru	10,000	£0.50m	1.0%
TOTAL	1,007,680	£50.38m	100%

If these figures were used, then the SNP and Plaid Cymru would require top-up from the Participatory Democracy Fund.

Sources for membership figures used here:

House of Commons Library SN05125
Electoral Commission — UK political parties' financial accounts published
Green Party announcement
UK Fact Check Politics on Reform's counter
Mark Pack — Lib Dem membership tracker
Holyrood — SNP membership decline
SNP 2024 annual accounts