Funding the Future

UK banks were given £1.6 billion yesterday

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According to the latest Bank of England weekly report, published yesterday, total balances in central bank reserve accounts were £641 billion on 4 November 2026.

Why does that matter? That's because the Bank of England base rate rose by 0.25 percentage points yesterday.

Assuming the Bank of England continues to remunerate all reserve balances at its base rate, this suggests the interest paid to those banks on those balances will increase by £1.6 billion next year.

Now let me contextualise this. Only a week or so ago, the Budget increased taxes on our banks, prompting many protests from them.

According to the budget, that time-limited tax increase will raise £1.475 billion.

Yesterday they collected £1.6 billion from the UK state to cover those costs, with the promise that more interest rate increases are on their way, which will only add to their unearned gains.

What is the reality then? It is that these banks are laughing all the way to the bank, quite literally, taking us all for a ride in a system rigged in their favour, which our politicians persist in permitting, hoping we will not notice.

Never forget to ask who this country is run for, and do not doubt it is not you.

The time for reform of central bank reserve accounts and the interest paid on them has been overdue for a long time, but now it is urgent. When will this bank robbery end?