



Investment Views

DECEMBER 2025

The Red Box Riddles: A Very Merry Budget Quiz

Christmas is the season for traditions, and few are as colourful - or as fiercely debated - as the annual Christmas Quiz.

Similarly, the announcement of the nation's finances via the Budget is steeped in centuries of custom and political drama. How much do you really know about the Chancellors, the quirks, and the record-breaking speeches that define this great British event? Test your knowledge with the 20 Questions below, guaranteed to ensure a harmonious afternoon with the relatives. Good luck!

Questions:

1. Where does the word "Budget" come from and what does it mean?
2. When was the Bank of England founded, and what specific urgent need was it created to address?
3. Why is the famous despatch box, used to carry the Budget speech and proposals, red?
4. When was the despatch box first used by the Chancellor?
5. What was its nickname and why?
6. In what year was the original despatch box retired and where is its final resting place?
7. What media tradition does the Chancellor fulfil with the despatch box? Where and when?
8. What is the despatch box constructed from?
9. What material is the Budget Box historically lined with, and for what unusual, maritime-related reason?
10. The box is embossed with two things: the title of the owner (e.g., "Chancellor of the Exchequer") and what else?
11. The UK Parliament has a strict rule that no food or drink (other than water) is allowed in the House of Commons Chamber. Why is this relevant to the Budget?
12. What other anachronistic exception did Chancellors, particularly Winston Churchill, tend to take advantage of while speaking in the Chamber?
13. What is the "Flower of Scrutiny," and which political figure wears it on Budget Day?
14. Which 19th-century Chancellor became infamous when he was unable to ceremonially display the red box?
15. Who gave the shortest Budget speech in history? How long was it (nearest guess)?
16. Who gave the longest continuous speech and how long was it (nearest guess)?
17. Which Chancellor was forced to resign after an accidental leak?
18. Which Chancellor named a family pet "Budget" and what type of animal was it?
19. Where does the name "Exchequer" come from?
20. When was the Office for Budget Responsibility (OBR) established, and what was its core purpose? (clue: it is not "leaking stuff")

Bonus question: after the most recent Budget, the tax burden is forecast to reach what percentage? When was the last time the UK tax burden was higher?

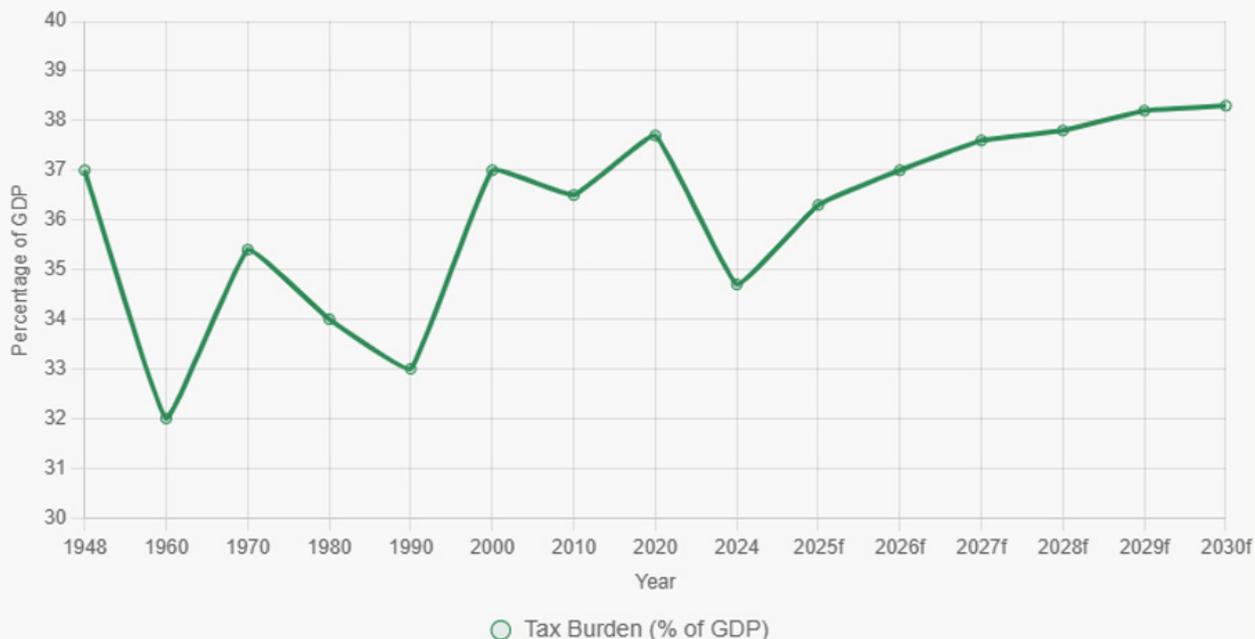
Answers:

1. The term comes from the Old French word "bougette", meaning "little bag" or "purse." It was originally a satirical term applied to Sir Robert Walpole (often cited as the first Prime Minister) in the 18th century, who was lampooned as a quack doctor opening his bag of "pills and potions" (i.e., tax proposals).
2. The Bank of England was founded in 1694, not to control the money supply or manage inflation, as it does today, but as a direct result of warfare and the urgent need to finance government debt (specifically, the Nine Years' War against France). This required more formalised management of raising revenue and setting tax rates (the "Ways and Means"). This period is therefore when the modern budget system began to emerge.
3. The reason for the red colour is debated, but the most accepted theory is that Prince Albert, Consort to Queen Victoria, preferred the colour because it was featured in the arms of his family, the House of Saxe-Coburg-Gotha. He thus wanted it to be used in the despatch boxes used by the Sovereign and her ministers.
4. The iconic red box was first commissioned for and used by William Ewart Gladstone around 1860.
5. The original box was famously nicknamed "Old Stripey" due to the distinctive red stripe that ran along the top edge of the box.
6. Gladstone's original box was used by almost every subsequent Chancellor for around 150 years, which is why it appeared so worn. It was eventually retired in 2011 due to its fragility and now rests at the Cabinet War Rooms. Modern Chancellors use a replica.
7. The Chancellor famously holds the despatch box up for the press and photographers outside 11 Downing Street just before heading to the House of Commons.
8. The boxes are famously robust, typically constructed of slow-grown pine, wrapped in scarlet leather, and fitted with a unique coded lock.
9. It is lined with lead, historically included so the box would sink if thrown overboard in the event of capture at sea, a historical safeguard reflecting Britain's maritime security needs.
10. The box is also embossed in gold with the Royal Cypher of the reigning monarch
11. The "Budget Tipple" is the sole exception to this rule. During the speech, the Chancellor is permitted to have one alcoholic drink of their choice, delivered to the Despatch Box, to help them through the lengthy address. This tradition was popularised in the 19th century and led to some interesting choices: William Gladstone favoured a mixture of sherry and a beaten egg (a restorative). Benjamin Disraeli preferred brandy and water. Hugh Dalton famously chose rum and milk. Ken Clarke was the last Chancellor to fully embrace the tradition, drinking whisky at the Despatch Box in the mid-1990s. The tradition has been in decline since Gordon Brown (1997-2007) opted for mineral water. Chancellors since then have generally chosen water, fearing the political optics of drinking alcohol while announcing tax hikes!
12. The Chancellor used to be the only person also allowed to have a cigar in the Chamber. Winston Churchill was famous for taking advantage of this exception after finishing his speech.
13. It is a red carnation, traditionally worn by the Leader of the Opposition when they rise to give the first response to the Budget speech, symbolising their immediate and determined scrutiny and rejection of the government's plans.
14. In 1868, Chancellor George Ward Hunt became infamous when he was unable to ceremonially display the distinctive red box before Parliament because he forgot it, leaving it at home. After a delay, he delivered one of the shortest Budget speeches in history.
15. Benjamin Disraeli gave the shortest speech in 1867 that lasted a mere 45 minutes.
16. William Gladstone holds the record, delivering a marathon speech in 1853 that lasted 4 hours and 45 minutes. Benjamin Disraeli delivered a longer speech in 1852 that lasted 5 hours, but that included a break.
17. In 1947, Labour Chancellor Hugh Dalton was forced to resign immediately after he gave a journalist key details about his tax changes before he delivered the speech. The news made the evening papers while he was still speaking in the Commons, a breach of confidentiality that was considered so severe it ended his career.
18. Sir Geoffrey Howe, Chancellor from 1979-1983, reportedly enjoyed the Budget process so much that he named one of his dogs "Budget."
19. The full title, Chancellor of the Exchequer, dates back to the Norman period. The word "Exchequer" comes from the Latin scaccarium, meaning a chessboard. This is because the royal revenues and accounts were historically audited by laying them out on a large, checked cloth resembling a chessboard.
20. The Office for Budget Responsibility (OBR) was established in 2010. Regarded as one of the most significant modern changes to the budget process, the independent OBR took over responsibility for producing the official economic and fiscal forecasts, separating the political announcement of policy from the independent assessment of the economy.

Bonus: The tax burden (total tax take as a share of GDP) is forecast to reach 38.3% by the financial year 2030-31. It has not been higher since consistent records began in 1948.

Merry Christmas!

UK Tax Burden as % of GDP: Long-Term History and OBR November 2025 Forecast



Source: OBR/ONS data, Grok

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