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UK Government's $126,000 Wine Bill

UK Government Invests in Fine Wine for Diplomatic Events

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The UK government has spent over £97,000 (about $126,000) on replenishing its wine cellar over the past two years, according to figures recently released by the Government Hospitality Service. The cellar currently holds 31,090 bottles, valued at approximately £3.8 million ($4.9 million), a slight decrease from the estimated £3.94 million ($5.1 million) in 2022-2023. Authorities explain that this wine expenditure is necessary to supply high-quality wines at reasonable costs for diplomatic and official events.

In the 2023-24 fiscal year, £49,862 ($64,800) was allocated for new wine purchases, including 888 bottles of Burgundy white wine, while the previous year saw a £47,327 ($61,400) investment. During these two years, the government purchased a total of 1,920 bottles of English sparkling wine, 1,260 bottles of white wine, and 480 bottles of red wine, all designated for official receptions, along with 60 bottles of gin. The average price per bottle increased from £17.28 ($22.40) in 2022-23 to £24.66 ($32) in 2023-24, reflecting the focus on acquiring higher-value wines.

The government's wine cellar, located in the basement of Lancaster House in Whitehall and established in 1922, was created to provide wines for high-level official and diplomatic events. A specialized committee of four Masters of Wine advises on wine purchases, considering both mass-reception wines and fine wines that can be stored to increase in value and complexity.

Between 2023 and 2024, wine consumption at official events rose by 4%, with 2,813 bottles consumed compared to 2,713 the previous year and 1,303 in 2021-22, a year marked by reduced events due to pandemic-related restrictions. Over the past two years, a total of 5,526 bottles were consumed, of which 65% were British wines. Fine wines accounted for 56% of the total consumed, amounting to 3,119 bottles, while the remainder was bulk-purchased reception wines.

Among the most consumed bottles in 2023-24 were Ridgeview Cavendish NV English sparkling wine, with 306 bottles opened, followed by 91 bottles of Nyetimber Blanc de Blancs 2014 and 79 bottles of Ridgeview Blanc de Noirs 2014. In still wines, red Bordeaux was the most popular, with 307 bottles served at events over the last two years, followed by red Burgundy with 215 bottles and white Burgundy with 211 bottles.

Wine sales generated £82,015 ($106,500) in 2023-24, nearly double the £45,759 ($59,400) raised the previous year. These sales helped offset the net cost of the cellar's inventory, allowing the government to purchase some bottles at release and sell them when they reach a higher market value.

This increase in consumption and expenditure reflects a return to pre-pandemic levels, when more than 7,300 bottles were consumed between 2018 and 2020, including 83 bottles of champagne, 47 of gin, and just 16 of whisky. During the 2019-20 fiscal year,

the government allocated £73,000 ($94,800) to restock the cellar. In January of this year, the government also published a report covering the pandemic years, showing reduced spending of £27,000 ($35,100) from 2020-2022 and a consumption of just over 1,400 bottles at selected events, with 130 bottles consumed between March 2020 and March 2021 amid stringent restrictions.

This expenditure aligns with the UK's official hospitality policy, which considers it appropriate to offer quality domestic and international products at diplomatic events. The figures reflect a commitment to maintaining hospitality standards expected internationally, even amid financial constraints.