

By 1509 JPs were the Crown's most important administrators in the English counties and were vital to the maintenance of law and order. Considering that they were unpaid, it is remarkable that Henry found enough men to fill the local benches with JPs. Local gentry saw the office as one of local influence and prestige and so were willing to serve. Undoubtedly, law and order in the English localities improved under Henry VII's rule but it remained a difficult task. The resources at the disposal of the authorities, both locally and nationally, remained limited by modern standards with no regular police force paid for out of taxation.

How successful was Henry VII's financial policy?

Until recently one fact was known about Henry VII by generations of students: that he died rich. At his death in 1509 he left his son, Henry VIII, a considerable treasury – some £1,800,000 (worth approximately £1 billion today). Modern historical research – particularly the work of Bertram Wolfe – has shown this to be myth. However, there is one element of truth in the story: Henry VII was determined to be a rich king. Once he had obtained the throne, a considerable amount of both Henry's time and energy was given to increasing the royal income. As a former penniless exile, Henry was well aware of the value of a full treasury.

The royal income came from a number of sources. There was income from the royal estates and from the exercise of the king's feudal prerogative. Further revenue came from:

Prerogative: These were the powers which the king used to govern his realm. Some of these came from the king's rights as feudal overlord of the kingdom and on occasion this allowed him to act outside the law. But even then the king could not ignore the common law of England.

- customs duties which were granted by Parliament to each king for life
- the French pension granted to Henry by the Treaty of Etaples in 1492 (see page 45)
- profits of justice which came to the Crown from the enforcement of law and order
- 'extraordinary' income: such as taxation granted by Parliament to the king in times of emergency or war. It was an unwise king who asked for extra taxation too often as the result could be widespread dissatisfaction and rebellion, as happened to Henry VII in 1497 with the Cornish rebellion (see page 41).

Henry's Yorkist predecessors had increased revenue by careful management of the royal estates. In Richard III's reign (1483–85) this had amounted to an income of £25,000 per year. This achievement had been gained from an all-time low in the later years of King Henry VI (1422–61) by the introduction of new methods of financial management. The Exchequer, the department responsible for financial administration, had become increasingly slow due to its bureaucratic methods. Edward IV (1461–70, 1471–83) introduced a new, streamlined method of managing the royal estates: using the King's Chamber (part of the Royal Household) to handle his finances. The officials paid income from the royal estates directly into the Chamber, where their accounts were checked and an immediate source of income was provided.

However, when he became king, Henry VII, because of his financial inexperience, did not realise the advantage of the Yorkist Chamber system and the Exchequer was allowed to resume control of royal income. This led to a drop in immediate revenue from the royal estates which by 1486

stood at only £12,000 per year. Within a year, Henry realised his mistake and from then onwards the Chamber once again became the centre of royal financial control. By the last half of Henry's reign, the Chamber was dealing with all sources of royal income. The Exchequer still controlled the income which came in from sheriffs and the customs duties. By the end of the reign, income from Crown lands had risen to £42,000 a year and Henry's income from all sources, including parliamentary grants, was over £100,000 each year.

Henry VII also did much to improve his income from customs duties. Following Edward IV's example, Henry continued to tighten up the collection system by cracking down on dishonest officials. The Book of Rates of Customs Duties was updated by Henry twice during his reign. However, the increase in income from customs duties was not as great as that from the royal estates and feudal dues, but nevertheless it provided nearly 40% of the royal income by the end of the reign.

This success was achieved by Henry VII's own personal involvement. He worked alongside his chief officials checking the accounts himself and signing each page. He also made wise appointments. The successive Treasurers of the Chamber during his reign – Sir Thomas Lovell (1485–92) and Sir John Heron (1492–1512) – both gave the king loyal and efficient service. Henry's most trusted financial adviser, however, was Sir Reginald Bray. He was much concerned with Henry's financial reforms until his death in 1503. Henry VII's healthy finances were helped by his foreign policy in which he was careful to avoid war. He was quick to grasp that fighting wars was expensive and quickly emptied the royal treasury – as his son, Henry VIII, was to demonstrate in the 1540s.

Overall, Henry VII's financial policy was a success. Although the king was not very original as he adopted the financial policies of his predecessors, Henry made his policies work effectively by choosing good servants and checking their work thoroughly. At the time of his death, the Crown's finances were very sound in spite of the myth that he did not leave his son any great treasure to squander on wars against France.

What was the relationship between Henry VII and his Parliaments?

The Parliaments of King Henry VII

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| 1 | 7 November 1485 – 4 March 1486 |
| 2 | 9 November 1487 – 18 December 1487 |
| 3 | 13 January 1489 – 27 February 1490 |
| 4 | 17 October 1491 – 5 March 1492 |
| 5 | 14 October 1495 – 22 December 1495 |
| 6 | 16 January 1497 – 13 March 1497 |
| 7 | 25 January 1504 – about 1 April 1504 |

Of the seven parliaments, five were in the first decade of Henry VII's reign; only two after that. This reflects the King's increasingly secure position on the throne. Parliaments were not in continuous session. Most parliaments only lasted a few weeks. Often there were long periods between parliaments.