

Office of the Police and Crime Commissioner for Surrey



Rt Hon Theresa May MP
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5th November 2015

Dear Home Secretary,

Spending Review 2015 – Police Precept

I have seen a copy of the letter that you recently sent to Sara Thornton and Nick Alston regarding discussions around future council tax referendum principles through the forthcoming Spending Review, which was circulated by the APCC. As I raise the largest percentage of my total income (53%) from council tax precept, compared with any other PCC in the country, I felt that I should formally write to you to ensure that you and your officials are able to take the Surrey view fully into account when coming to your conclusions about what the referendum principles should be in the future.

I am encouraged by the statement in your letter, “that it is democratically elected PCCs who should decide the precept levels appropriate for their area taking into account the views of their Police & Crime Panel and of local taxpayers.”, a sentiment that I fully share. However, in your letter you caveat this statement by expressing concern about the wider economic situation and the importance of helping households with the cost of living and it is on these points that I may be able to offer you some assurance based on my recent experiences, that will hopefully encourage you to consent to allowing PCCs to set the appropriate level of council tax precept, without your needing to try and protect council tax-payers from unreasonable increases in the level of local taxation via the imposition of precept referendum limits.

Last year in Surrey I consulted widely with my constituents about the desirability of holding a referendum to not just maintain current levels of policing that would otherwise have to be reduced because of reductions in central government funding, but to in fact invite Surrey tax-payers to fund a step change in policing and give the Chief Constable the resources that would enable her to provide the level of policing that our residents have indicated that in an ideal world they would really like to see. In the end I did not hold a referendum because although many people in the County were supportive of what would have been an increase of 24% in the police precept, YouGov polling indicated that while support for the such an increase was strong at 32%, 47% of those polled would have voted no, with 18% indicating that they were undecided. In the light



of these results I determined that the time was not right to incur the cost of a referendum that was unlikely to result in increased income for Surrey Police, as with or without the need for a referendum I would only wish to raise the precept if I had the full hearted approval of the Surrey public, as I believe would be the case with most of my PCC colleagues.

The interesting point that I think came out of the research that my officers conducted in considering the impact on council tax payers of paying an increase of 24% in the police precept, was that in cash terms, particularly for those at the bottom end of the income scale, the impact was not very great. Because the police precept only accounts for about 13% of the average total council tax bill, a Band D property for instance would have had to pay just less than £1 extra a week, had the precept increased by 24%. As I pointed out previously as we in Surrey rely more heavily on the council tax precept for funding our police service than any other PCC, the impact on all other PCCs of asking for a similar increase would be less than the cost incurred by Surrey taxpayers.

To sum up, the point that I hope I have demonstrated is that allowing PCCs to set their own level of council tax precept unrestricted by referenda limits involves little risk that council tax payers would face steep cash rises in their council tax bills, even in the unlikely event that an annual increase might amount to a percentage increase as great as 24%, notwithstanding that local tax support schemes are also in place to provide financial assistance where appropriate. Therefore I hope you would conclude that because the risk of PCCs setting council tax increases that generate unreasonable financial burdens on taxpayers is so small, it does not justify fettering the discretion of PCCs to set their council tax precept at the level that they believe is appropriate, after consulting with their constituents and their Police & Crime Panels and that as a consequence in considering policing financial arrangements for the future you will consider either removing the referendum limits placed on PCCs altogether or if this is considered to be a step too far set the limit at a level that is much higher than the current 2%.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Kevin Hurley', with a horizontal line drawn underneath it.

Kevin Hurley
Police and Crime Commissioner for Surrey

