



SCOTTISH OFFICE
WHITEHALL, LONDON SW1A 2AU

CONFIDENTIAL

Rt Hon Peter Rees QC MP
Chief Secretary
HM Treasury
Parliament Street
LONDON

17 May 1984

Dear Peter,

MINERS' DISPUTE: POLICING COSTS

I am writing about the arrangements for providing extra financial assistance to police authorities for meeting additional expenditure arising from the cost of policing the miners' dispute. Because of the Scottish Conservative Party Conference in Perth, it was not possible for me to be involved in the consideration of the proposals put forward to you by Leon Brittan, though you and Leon helpfully agreed to include a holding statement in his announcement to the effect that I would determine broadly comparable arrangements for Scotland, taking account of the different circumstances here. I should now like to have your agreement to the introduction in Scotland of arrangements similar to those announced by Leon Brittan on 11 May for England and Wales, with one important variation.

Because the latest revaluation of property in Scotland was more recent (1978) than in England (1973) there is, of course, a difference between the product of 1p rate north and south of the Border. The established equivalent figure for Scotland is 0.67p. This figure was most recently used in 1982 for purposes of severe weather grants, which were paid in both England and Scotland above thresholds of 1p and 0.67p respectively.

I should say that the Scottish police forces have not so far had occasion to call for mutual aid. Mainly this is because the largest additional policing requirement has fallen on Strathclyde Police, which has been able to cope within its own resources though incurring substantial extra expenditure on overtime and cancelled rest days. Although mutual aid has not been a feature in Scotland, I assume that all the additional costs incurred within Strathclyde which can be ascribed to the policing of the miners' strike will qualify for extra grant, subject to a threshold determined as outlined above. The 0.67p rate product in Strathclyde amounts to about £3.5 million. The heavy and very effective police operation at Ravenscraig and Hunterston has as yet cost only about one-third of this figure. Taking Scotland as a whole, I doubt if any additional grant will be payable on costs incurred so far. The situation may change, of course, if the dispute is prolonged and if heavy police activity is required within the areas of some of our smaller forces. Nevertheless I should like to make an announcement as soon as possible about the introduction of arrangements for financial help in Scotland. I should be glad to have your early agreement, therefore, to my announcing that a special grant will be paid of 40% in

addition to normal police grant towards gross approved additional expenditure above the product of a 0.67p rate: it would be specially helpful if I could make the announcement this week. Approved expenditure will cover either additional payments within a force or payments to other forces under mutual aid arrangements.

Should it be necessary to consider any other adjustments - and I note that Leon has in mind that additional payment may become necessary - I shall, of course, consult you again.

I should also like to announce, as Patrick Jenkin did for England, that that part of a local authority's expenditure which arises from additional policing costs will be disregarded when it comes to assessing the authority's liability for loss of grant under general abatement of grant in 1983-84 or 1984-85.

I am copying this letter to the Prime Minister, other members of MISC 101, Patrick Jenkin and Sir Robert Armstrong.

Yours ever,

George