



c.c. Mr Sibson Miss Goose
Mr Webber Mr Harrington
Mr Partridge Mr Hawkes
HMCIC Mr Mower
Mr Halliday Mr R Harris
Mr Hilary

1 ANNE'S GATE LONDON SW1H 9AT

27th September 1984

2 Peter,

MINERS' DISPUTE: POLICING COSTS

In my letter of 18 June I suggested that the total contribution to the costs of policing the miners' dispute which any one police authority should have to make from the rates should be limited to the product of three quarters of a penny rate. I said that I would not propose to make an early announcement of the details of my proposals, in order not to remove from police authorities the incentive to economise; but that some indication of our thinking needed to be given. You agreed to these proposals, and I announced on 28 June that a police authority's total share of the approved additional expenditure incurred up to 30 June would be limited to the product of a penny rate. On 8 September, with Treasury agreement, I announced that I was extending the period to which this arrangement applied to 31 August.

Police authorities have deduced that these arrangements will be extended indefinitely, and that in the end they will have to bear from the rates a sum equal to the product of a penny rate and no more. To that extent, the incentive to economise at the margin has disappeared. We are now half way through the financial year and the police authorities concerned are having to decide what cuts to make in their budgets. I think I must now let them know where they really stand. Otherwise they will have to make more damaging cuts than are necessary. This has been borne in on me very clearly by deputations from police authorities which I have recently received.

I should therefore be grateful for your agreement that I should take a suitable opportunity (and I have in mind the Party Conference) to announce that no police authority's share of the approved additional expenditure will exceed the product of three quarters of a penny rate.

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

2 Peter,

Mr Hon Peter Rees, QC., MP.



WITH
THE COMPLIMENTS OF THE
PRIVATE SECRETARY

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