

CDS/14/2/5/11tr

Sir Michael Lyons  
Lyons Inquiry  
Room 3/12  
1 Horse Guards Road  
London  
SW1A 2 HQ



60/05  
SE

Reply Sent

14th February 2005

Dear Sir Michael,

Please accept my apologies for having to cancel my attendance at the meeting in Leeds on 14<sup>th</sup> February at such short notice.

I wish to make the following observations.

Reorganisation of the taxation structure

- Gearing Effect - Currently a 1% increase in the Budget Requirement requires a 2.5% increase in the Precept. This results from only 40% of our funding coming from the precept, with the balance (Government Grant) being fixed annually.
- Business Rates – examination of the trends in the funding position Business rate funding as a percentage of total government funding to NYP shows a reduction from 25% to 16% over the last five years. The proposed review could therefore include an examination of business rates and possible return to direct funding of local government, as opposed to the current arrangements whereby the funding is collected centrally and then allocated via the pool. Local impact: NYP Police an area that is very popular with tourists (indeed population of towns such as Whitby can treble in the tourist season) and those who have holiday homes in the county. Policing must reflect these increased numbers but must also respond to out of season incidents such as burglary of holiday premises. Changes in the non domestic rating system would allow a more realistic levy to reflect actual usage of police functions by those with interests in the county.



**Della M. Cannings, Chief Constable**  
Police Headquarters, Newby Wiske Hall, Northallerton, North Yorkshire, DL7 9HA  
Telephone: Direct Line (01609) 789000 Fax: (01609) 789025

- Council Tax Bands - An issue for some time (especially since the recent rises in property prices), the review needs to consider the option of extending the number of bands, particularly at the top end.

#### Increasing flexibility to raise funding

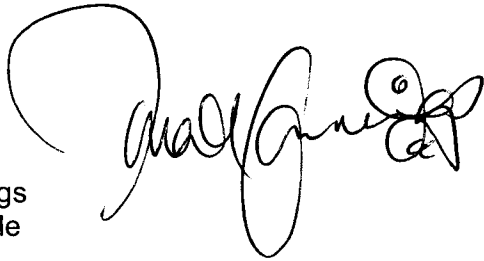
- The issue goes to the heart of local accountability for services and local accountable bodies need to be trusted to take local taxation decisions to enable them to deliver the kind of services which their local communities want and be held to account for those decisions. This may be difficult in areas like policing where we have no directly elected responsible bodies. Re-assessment of the content of the Government White paper on Building Communities and Beating Crime may assist provided there is then opportunity to make changes. So far this has not been progressed and it is debateable if the political will is there to do so. It is acknowledged that this may be a difficult issue but could provide a way forward.
- In a nut shell the local taxation issues can't be detached from the wider accountability issue.

#### Alternative sources of revenue

- Re examination of the amounts that other bodies pay for policing services and ensuring that the amount paid reflects the cost of providing that service. For example the cost of provision of Police staff at sporting events may need to reflect the costs outside the venue (e.g. disorder) and not just within the venue. Similarly the effects of large collections of the public often have an impact on the community long after an event has finished and this too may need reflecting in the cost to the event provider.
- Other areas of policing activity should be examined. For example, dealing with shop theft. Long periods of time used in investigating thefts that could have been prevented through 'self help' e.g. security. Examining charging systems seems particularly relevant in light of the changes to the licensing laws. The need to provide extra police in certain areas to prevent disorder should attract a suitable contribution dependent on the nature and amount of disorder.
- Acknowledgment however must be made to those who do take their actions and protection seriously and contributions may need to be made on a graded, reviewable scale.
- Taking NYP as an example extra capacity exists to combine command and control functions of Police, Fire and Ambulance. Combining these relieves the need to maintain a number of separate premises around the county area as well as allowing the redeployment of any underused resources. Revenue raised by taxation can therefore be used for other projects – for all three services

- Examine the use to which revenue from speed enforcement is used. This could be returned to the areas in which it was levied. This would change the view that this a further tax on the motorist supplementing government revenue and emphasise that the benefit is returned to the communities that were affected in the first place.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Della M Canings', written in a cursive style.

Della M Canings  
Chief Constable