

Surrey mansion tax debated at County Council

6 February 2025



Plans for ‘those with the broadest shoulders’ to voluntarily pay more council tax to help those in need have been labelled ‘morally corrupt’ in a heated debate. The idea is based on a scheme introduced by Westminster Council in 2018, dubbed a “mansion tax”.

Council Tax is based on the property value of a house if it was sold in April 1991 in England. For instance, Band H is for properties valued at over £320,000. But with the average house price in Surrey today at just over £600k, according to Rightmove, councillors agreed the council tax system needs reform.

Paul Follows, Liberal Democrat group leader, put forward an idea to ask residents in Band H if they would be willing to pay more money to support essential services and those in need. He asked the county council to “explore the creation of a voluntary contribution scheme” for those in the highest bracket of council tax.

But the Lib Dem’s amendment to the budget was lambasted by councillors at a full council meeting on February 4. Members voted against proposal 43 against, 25 in favour and six abstentions.

Brandishing the proposal as “morally corrupt”, Cllr Ernest Mallett MBE (Residents’ Association and Independents/ West Molesey) argued many people, like himself, support charities which try to combat poverty. He said that for Cllr Follows to suggest a council with a £2bn turnover should attempt to “levy funds from residents” is “totally immoral” and “unjustified”.

The suggestion was tabled as an amendment to Surrey’s budget for 2025/26 at a full council meeting on February 4. Residents living in a Band H property will be facing a council tax bill of over £3,690 this year as the council’s budget was approved.

Not a concrete plan, Cllr Follows proposed a cross-party working group would be created to flesh out the scheme’s scope and structure. Then the designs would be brought back to council for consideration for the next financial year. He said: “It does not cost us a lot of money to try, and we may help a lot of people if we do.”

Cllr Mark Nuti (Conservative/ Chertsey) said it was “an affront” to the people of Surrey who are generous with their time and money in the voluntary sector and philanthropic investors in the community.

Council leader Tim Oliver agreed and said Surrey “already has one of the highest council tax bills in the country”. Cllr Oliver said members should focus more on local government reform rather than getting residents to pay extra.

Worried about the “unintended consequences” of the scheme, Cllr Denise Turner Steward (Conservative/ Staines South and Ashford West) said putting “moral pressure” on residents to pay more council tax to help others could “divert” funds away from much-needed charities in Surrey.

But not everyone shared the same view. “There is nothing iniquitous of asking those with more to consider voluntarily giving a little extra,” said Cllr George Potter (Lib Dem/Burpham). “If that bastion of socialism in Westminster can manage it, then surely middle of the road Surrey can certainly manage it.”

Other members took a more hard-line approach. “If you can afford a £3m or £4m house, you ain’t poor,” said Cllr Jan Mason (Residents’ Association/ West Ewell). “They know they are buying housing in an affluent area, they are able to pay.” She told the council many of the residents in her ward and it would be an “insult to my residents who are on really low income” if bigger council tax bands were not brought in.

Cllr Lance Spencer (Goldsworth East and Horsell Village), seconding the motion, said he understood not everyone in a Band H property would be able to contribute. However, the voluntary contribution could provide “an opportunity to make a significant impact to the county’s future” with the “further degradation of services realistically inevitable”.

Waverley Borough Council, where Cllr Follows is leader, has also sent a letter to residents asking for their thoughts on a proposal to introduce voluntary tax contributions to support projects and vulnerable residents across the borough.

Paul Follows speaking at full council meeting 4/02. (Credit: Surrey County Council live stream)