

Colchester's four proposals	1. Extend and enhance New Homes Bonus	2. Ease the council tax referendum limit and allow districts to raise a 3% additional prevention and early intervention precept	3. More support for local authorities to address domestic violence	4. Allow local authorities increased revenue raising powers, including the power to change council tax bandings and more discretion on fees and charges
HM Treasury suggested structure of Budget Representations follows:				
General	Fast growing local authorities should be encouraged by increasing and sharpening the value to them of New Homes Bonus	Current system prevents councils raising the funds they need for essential services. Councils that froze council tax from 2010 onwards have been financially disadvantaged. They should be allowed to recover their position over a transition period	A close working relationship with the Police has helped us to highlight the problem of domestic abuse across Essex with over 40,000 reported incidents translating into 29,000 crimes. Of these over 9,000 are committed by repeat perpetrators so a focus on this group in funding local authority and partnership arrangements designed to achieve sustainable behaviour change would be most welcome.	Allow local authorities to have the discretion to alter tax bandings at a local level (e.g., introduce a 'Band J' Mansion Tax and/or vary the ratios between Council Tax Bands from the one set nationally to meet local needs). More freedom to apply levels of fees and charges that do not need to have regard to simple cost recovery, but which rather could be adjusted at individual authority to reflect local needs and demands.
Likely effectiveness and value for money	This is an essential incentive to encourage councils to expedite much needed development	Would lead to a step change in service delivery	Any investment would more than be repaid by reduced police and criminal justice expenditure	The additional flexibilities would allow councils to improve their resource base and provided better services.
Revenue implications for the Exchequer	None – allocations are top sliced from the local government funding settlement	None	None	None
Wider macroeconomic implications (for economic stability and growth)	Promote economic growth by housing construction	Would ensure a better range of council services	Would increase the workforce	Would ensure a better range of council services and the ability to support more rapid housing and economic growth
Sectoral impacts	Local government – important additional funding source that	Local government improved funding Impact on local council tax payers	Local government improved funding	Local government improved funding

	leads to increased development and more stable communities		Police and Criminal Justice budget savings	
Distributional impacts	Would benefit fast growing councils	Impact on council tax payers would depend on local council decisions	None	Any council tax changes could reduce the regressive properties of the current council tax system. Fees and charges could be set to protect vulnerable service users, but ensure a fair recovery from users able to pay a full charge
Administrative and compliance costs and issues	There is already a system of data collection, so no major additional resources required	None	None – these are existing programmes that need augmenting	None – existing council tax system could easily be amended locally Reduction in legislation and regulations on local authority charging.
Legislative and operational requirements	Can be made by government regulation	None	None – these are existing programmes that need augmenting	None – existing council tax system could easily be amended locally Reduction in legislation and regulations on local authority charging.
Environmental impact	All development environmental impacts are assessed under land use planning. New Homes Bonus funds local authorities to address the environmental issues of new development	Would provide councils with additional resources to address the Climate Emergency	None	Would provide councils with additional resources to address the Climate Emergency Charges could be used to encourage environmental improvement – e.g. to reduce congestion.