Subject:	**COUNCIL BUDGET 2021/22 AND MEDIUM-TERM FINANCIAL PLAN 2021/22–2024/25**
Meeting and Date:	**Cabinet – 1 February 2021** **Overview and Scrutiny Committee – 8 February 2021**
Report of:	**Helen Lamb, Head of Finance and Investment**
Portfolio Holder:	**Councillor Chris Vinson, Portfolio Holder for Finance, Governance and Digital**
Decision Type:	**Key Decision**
Classification:	**Unrestricted**
Purpose of the report:	To progress approval of the 2021/22 budget and the Medium-Term Financial Plan (MTFP) for 2021/22–2024/25
Recommendation:	It is recommended that Cabinet: • Considers the draft General Fund Revenue Budget, the Capital and Special Projects Programmes, the Housing Revenue Account budget, and the content of the Medium-Term Financial Plan (MTFP) as proposed in Appendix 3, and advises the Strategic Director (Corporate Resources) of any changes they require to be incorporated into the final version; • Agree that the draft budget is placed on the Council's website, to be available for comments; • Note that the remaining Annexes, including the Council Tax Resolution and Treasury Management, Investment and Capital Strategies, will be added to the MTFP and other minor adjustments made before being presented to Council in March.

1. Summary

1.1 The budget faces a range of uncertainties due to the pandemic, the exit from the EU and the role DDC will play as host to a Border Control Point. This report sets out the broad areas of pressure and uncertainty and the strategy adopted to deal with them.

1.2 In summary the position is:

- The General Fund budget for 2021/22 forecasts a deficit of c.£500k;
- The Housing Revenue Account is balanced;
- The Capital Programme if fully funded.

1.3 The forecasts contain a wide margin of uncertainty. For the General Fund a budget strategy has therefore been developed for 2021/22 which will rely on the use of reserves, if required, for 2021/22 in order to avoid making undue service and staff reductions in circumstances where the Council's financial position when business returns to normal is not yet clear.

1.4 It should be noted that a significant proportion of the support from government to the Council for 2020/21 is not ringfenced and is likely to be carried forward. This will assist in reducing any call on the Council's underlying reserves.

1.5 Because the situation is likely to remain volatile for a significant period of 2021/22, and because the Council needs to be able to respond to demands in an agile manner, it is also proposed that any draw down on these reserves is delegated to the Strategic Director (Corporate Resources) in consultation with the Leader and Portfolio Holder for Finance, Governance and Digital and is retrospectively reported to all Members in the quarterly performance report.

2. Overview

2.1 The budget for 2021/22 and the Medium-Term Financial Plan (MTFP) for 2021 – 2025 have been produced in wholly exceptional circumstances as a result of two events, the Covid pandemic and the EU Transition.

2.2 The various lockdowns and the system of tiers has had an impact on DDC's budget, primarily through the loss of income. In addition, the EU Transition has led to the requirement on DDC to create an expanded Dover Port Health Function which, when fully staffed, is expected to have a minimum of 100 additional staff operating within a new purpose-built Border Control Post (BCP) facility provided by DEFRA.

2.3 These events have led to significant uncertainties at the time of writing, impacting (mainly) the 2021/22 revenue budget, including:

- 2020/21
  - Expenditure for the year
  - Income for the year
  - Council Tax income
  - Business Rates income
  - The final value of government support to local authorities
  - The 2020/21 outturn and the reserves and balances to be carried forwards.

- 2021/22
  - The duration and severity of the lockdown / tiered restrictions
  - The speed of economic recovery
  - The net cost to DDC of the expanded Port Health Function
  - The costs to DDC of the changes in the flow and any disruptions in cross channel trade
  - The extent to which government are willing to underwrite the council's financial risks from income levels from Port Health, given the uncertainty of volumes
  - Expenditure for the year
  - Income for the year
  - Council Tax income
  - Business Rates income – including potential Material Change of Circumstances appeals to the VOA by businesses within the Dover district who believe they have been adversely affected
  - The final value of government support to local authorities.

- 2022 – 2025
  - The continuing impacts of Covid and the speed of economic recovery
  - The review of local government finance and the on-going baseline level of financing available including:
    - The Fair Funding Review
    - New Homes Bonus (or any replacement)
    - The reform of the Business Rates Retention model
    - Business Rates revaluations and re-sets

2.4 It should be noted that the Covid support from government is likely to lead to an overall underspend in 2020/21, which will be used to support pressures in 2021/22. None of the Covid support measures are expected to remain in place beyond 2021/22 and so they do not affect the Council's underlying baseline position. The recovery from Covid may, of course, last into 2022/23 and beyond.

3. General Fund Budget Strategy

3.1 In past years the standard budget strategy for DDC has been to estimate the baseline service costs, determine the financing available, drive savings where possible / required, produce a broadly balanced budget and maintain reserves and balances for one-off and planned purposes such as the project programmes, elections, ICT investment etc.

3.2 Although the standard strategy has served the council well, it would not be robust in the current circumstances, since the levels of uncertainty mean that it could lead to excessive (and ultimately unnecessary) service and staff reductions, or to an unbridgeable budget gap.

3.3 Therefore, given the scale of the current unknowns, a different strategy is required. The strategy that has been adopted for 2021/22 is to make what savings in costs are reasonable and deliverable without material reductions in staff or services and to apply reserves to meet any subsequent budget deficit. Specifically:

- Identify the "normal" or "business as usual" budget pressures. These were £1.8m for 2021/22, increasing to £3.1m by 2023/24.
- Identify savings of c.£2m to address these pressures.
- Identify the pressures caused by Covid 19 lockdowns. These were c.£2m.
- Identify supporting Government funding to offset the Covid 19 pressures. These are c.£1.3m.
- Resulting budget deficit of £500k to be funded from General Fund balances.
- Allow any budget surplus resulting in 2020/21, arising as a result of normal income and expenditure and unspent government support, to pass into reserves.
- Avoid any undue or excessive service changes or reductions in 2021/22 by using reserves in 2021/22 to fund any budget deficit, with the intention to review the budget during 2021/22 and plan for a balanced budget in 2022/23.
- As the level of reserves to be used at this time is unknown, this will require delegation by Council to the Strategic Director (Corporate Resources) in consultation with the Leader and Portfolio Holder for Finance, Governance and Digital the use of earmarked reserves through 2021/22 to balance the financing of the General Fund.

3.4 It is important to note that reserves expended in 2021/22 will not be available for capital or other projects and may take time to rebuild, but this is a judgement call in a period of uncertainty for the Council and high levels of service need for the community.

4. Government Support to Local Authorities for Covid

4.1 The support has come from several government departments. Some has been well thought through and meets the intended costs, in other areas that is not as much the case. However, the funding streams have been drawn up in a time of unparalleled pressures when speed of response has been more important than precision, and this has been delivered. It is not, therefore, surprising that there are some issues and challenges – but overall the quantum of support to DDC for 2020/21 has been sufficient.

4.2 The particular issues and challenges have been:

- The multiplicity of funding streams (some 35+) across local government.
- Some funding streams are likely to be in excess of DDC requirements. Others fall short.
- Some are for 2020/21, some for 2021/22, others span both years.
- The lack of clarity in some streams and the frequency of changes.
- The number of government departments involved.
- The significant volume and frequency of data returns required by government.

4.3 The funding streams falls into three main categories:

- Support to the Council
  - This support is not generally ringfenced. Any funds unspent in 2020/21 will be carried over in reserves and can be used in 2021/22 to support the General Fund budget.

- Direct support to local families and businesses
  - Some of this support is for defined purposes or to be allocated in specific ways, other elements are to be allocated using the council's discretion. In either case, this funding will generally be used in 2020/21 or held in an earmarked reserve to be used for its intended purpose in 2021/22.
  - The council is, effectively, administering a funded government scheme and so the cost of the scheme has a nil impact on the Council's budget.
  - They include:
    - Local Restrictions Support Grant (LRSG) Closed
    - LRSG (Open)
    - LRSG (Closed) Addendum
    - Closed Business Lockdown Payment
    - Additional Restrictions Grant (ARG)
    - ARG Top-up.
  - Some of these schemes, such as the LRSG (Open) support for businesses will be replenished on a two-weekly basis, reflecting expenditure by the Council.
  - Other schemes, such as the ARG, have a fixed sum which the council has the discretion to allocate, but is expected to last until March 2022.
  - It is not clear whether any remaining funds from such schemes will be available for the council to retain or will have to be repaid. Accordingly, these schemes have not been included in the general fund budget.

- Support to the Council to meet the costs of new burdens.
    - This is to meet the costs of additional services such as support to the "Clinically Extremely Vulnerable".
    - It is not clear whether any remaining funds from such schemes will be available for the council to retain or will have to be repaid. Accordingly, these schemes have not been included in the General Fund budget.
    - A significant proportion of such schemes are allocated to upper tier and unitary authorities. In such cases DDC involvement is through re-distribution by KCC.

4.4 The main grant streams that comprise "Support to the Council" are set out in Appendix 1, as they have an impact upon the General Fund.

5. **Dover Port Health Function**

5.1 Imported food control is only a very small part of the current Port Health service. The main activities currently revolve around ship inspections and infectious diseases. Existing imported food controls amount to approximately 1,000 checks per annum and are conducted by just 1.5 FTE.

5.2 As a result of leaving the EU additional controls will be required on imported products from the EU and Rest of the World (RoW). Based on DEFRA's anticipated figures, Dover Port Health Authority will be required to undertaken approximately 94,000 checks on products of animal origin (POAO) from EU, as well as an unknown but significant increase in number of checks on RoW products, Organic products and fish. As such a 24-hour, 7 day a week service requiring a minimum of 100 additional staff will be needed, costing in the region of £8 million per year to operate. This function will operate out of a brand new, purpose-built Border Control Post (BCP) facility provided by DEFRA.

5.3 The expansion of the Dover port health function will add major value to the council, the community and the local economy. Employment opportunities will include the creation of approximately 100 jobs and thereby boosting the local economy. However, the expansion also creates a significant risk to the organisation both financially and reputationally should it fail. In addition, and perhaps of higher concern are the wider political and commercial implications of any failure.

5.4 The DEFRA model assumes that the service will be self-financing, based on the fees charged for inspections. However, volumes are uncertain, since there was no need to gather this data when the UK was part of the EU, some fees will be set by DEFRA and those set by DDC need to be at a practical level so as not to impact the level of trade through the port.

5.5 DDC has received £4.1m funding for the initial set up of the service and a commitment to underwrite any additional costs to DDC has been made by DEFRA, but only for the current year to 31st March 2021. In reality, much of this is likely to be carried over into 2021/22.

5.6 No clear funding has been agreed by DEFRA for 2021/22. Future underwriting of any costs is being requested from DEFRA up to 2023.

5.7 In view of the uncertainty as to the net cost of the service, the phasing in of the additional staff, funding for 2021/22 and the underwriting by DEFRA of any net losses in 2021/22, the budget does not yet contain any estimates for the costs of this service.

5.8 The £4.1m of set up funding provided to DDC by DEFRA in 2020/21 will be held in an earmarked reserve and released to offset expenditure as it arises, whether that is in 2020/21 or 2021/22.

6. Funding for Inland Port

6.1 DDC has also received £500k for use within the period of January 2020 to March 2021, to assist in the preparations for the end of the Transition Period. This funding is to support business continuity in the eventuality of disruption from the changes.

6.2 This funding is not ring-fenced and the quoted time period ending March 2021 should probably be treated lightly. The method of calculating the £500k is not clear. A list of awards to other councils for the same purpose is provided at Appendix 2.

6.3 It should be noted that the actual costs to DDC of being an "inland" port will not be one-off and will be driven mainly by the levels of traffic and traffic disruption and include:

- Waste contract operational impacts, (all waste streams affected).
  - Longer operating days 6am - 10pm and longer week,
  - Saturday working.
  - Cost to cover contractors' costs and transfer station opening costs.
- Street cleansing operational impacts.
  - Increased cleansing of the highways, slower turnaround times, contractor costs and transfer station costs for this seven day per week service.
- Upgrade of CCTV and Control Room and enhanced monitoring for traffic management.

6.4 DDC is currently lobbying MHCLG to support these extra costs that DDC bears for a service which is of national importance.

7. Wider Local Government Finance Picture

7.1 There is a pressing need for reform to local government finance. On 17 December MHCLG Secretary of State, Robert Jenrick said:

"When there is a clearer path ahead, we will work with the sector and Members across the House to **seek a new consensus** for broader reforms to local government, including the fair funding review and the business rates reset, and we will ensure that councils are set on a long-term trajectory of sustainable growth and fair resources."

"We all … would agree that we need an updated and fairer method for distributing public funds within local government. This year would have been the wrong time to bring that forward, I think. This is a one-year settlement in a period of almost unique instability in the sector. **There might be an opportunity to do it next year, and my Department will work with the Treasury to review that**."

7.2 It is not possible to set out in detail all the variables and potential outcomes. The notes below provide the headlines.

<u>Core Spending Power</u>

7.3 Core spending power is a measure used by central government to demonstrate the resources available to local authorities and includes council tax as well as Revenue Support Grant, Business Rates etc. The measure has its flaws, but it does demonstrate

an overall trend and shire districts have generally seen the largest reduction, or smallest increase, in core spending power.

Budget 3rd March 2021

7.4 This is a significant budget since the Chancellor is likely to start making decisions about the route to re-balance public finances over time. This will have an impact upon the size of the overall government cake, the slice given to MHCLG, and the share each council will receive. This is inextricably linked with Council Tax reform and Business Rates Retention (see below).

Fair Funding Review

7.5 Fair Funding Review (FFR) has been scheduled for 2022/23, but it has been postponed before. It is an essential first step in determining the base resource requirements for councils and how they will be achieved. From the FFR will flow the Business Rates Retention (BRR) baseline.

7.6 It will also have to incorporate a significant element of resource redistribution, since greatest need is often aligned with lowest resource.

Council Tax Reform

7.7 At the macro level, the Government is now placing an increasing burden for funding local services onto the local taxpayer. Approximately 82% of the increase in Core Spending Power (CSP) in 2021-22 will come from council tax increases. The increase in funding from Government is only £150m. Between 2010-11 and 2014-15, Government policy was to minimise (or even freeze) council tax increases; but since then, the burden on the local taxpayer has increased markedly. There may be a limit to future Band D increases within a largely unreformed council tax system, where Band D levels are so different.

7.8 There is now speculation that Council Tax could be replaced by an alternative system such as a national property tax.

Business Rates Retention

7.9 There are several potential changes to the Business Rates Retention (BRR) scheme.

7.10 An increase from 50% to 75% has been proposed and may be implemented from 2022/23. However, the existing system of tariffs and top-ups (or a similar system) will still be required for resource equalisation.

7.11 A baseline re-set is also overdue. At present Council's still work to the baseline set when the system was introduced. A reset will remove some, or all, of the retained Business Rates arising from growth. This will feed resources back into the system, but without some form of damping the impacts on "growth" councils could be significant and appear to be penal to councils delivering the government's agenda.

7.12 Finally, a revaluation is also overdue, the last being in 2017, with an intended three yearly cycle. Revaluations are intended to be fiscally neutral, and if baselines are properly adjusted, should not impact on BRR.

New Homes Bonus

7.13 The approach taken in 2020-21 and 2021-22 is an interim measure until New Homes Bonus (NHB) can be replaced and “losses” can be supported by a damping regime across councils to flatten the impact on winners and losers.

7.14 The sector needs more certainty about the future of NHB. A consultation paper is promised for Spring, and it is important that this timetable does not slip. NHB is important and we need certainty about the future (even if it means we get less funding from NHB’s replacement).

7.15 The main criticism of the Government’s treatment of NHB in the settlement is that the “surplus” has not been returned to local government in the way that has been promised. NHB has been part-funded by a top-slice from Revenue Support Grant (since 2013-14), and it has always been intended that any unused amounts will be returned pro rata to the original top-slice. However, the Government has used the £278m surplus to fund the other grants that have been announced in the settlement (£4m Rural Services Delivery Grant, £111m Lower Tier Services Grant, £150m social care grant, £13m Revenue Support Grant).

7.16 This makes financial planning difficult because the Government is not maintaining established principles about how any surplus will be used, and it distorts the stated increase in grant funding for local government. Local government has received only £150m in new money, with all the other increases in grant being funded from within local government’s existing resources.

8. Proposed Recommendations

8.1 Proposed to recommend to Council delegation to:

- Administer funding for local businesses and families as intended by govt.
- Apply new burdens funding as intended by govt
- Take any surplus new burdens funding and "non-earmarked" funding into earmarked reserves to support the general fund budget and delegation to apply them in 2021/22.

9. Housing Revenue Account (HRA)

9.1 The HRA budget has been set following the successful transfer of the service back in-house from 1st October 2020. The HRA forecasts a balanced position for 2021/22 and maintains the HRA balance at £1m for the planning period. This includes rent levels to be set in live with government guidance and an increase in planned revenue and capital works over the period to be financed from the Housing Initiatives reserve.

10. Capital and Revenue Projects Programmes

10.1 The Council holds limited capital resources (other than the capacity to borrow[1]), but within these resources it has discretion over which projects to support. The Medium Term Capital Programme shows that resources have been applied to the regeneration projects in support of the Council’s corporate objectives.

10.2 The programmes were reviewed in detail in 2020/21 and presented to Council for approval in October 2020. The main changes to the programmes included in the MTFP are:

[1] Borrowing can be undertaken for capital projects but revenue budgets have to finance the interest and repayment costs.

- Dover Town Regeneration – addition of £1.2m business rates pilot retained income to the programme to support the Town Centre Regeneration project. This project is already included in the level of reserve use assumed in the latest papers presented to Members for the budget process.
- Refurbishment of Public Conveniences – budget of £50k to enable works and enhancements as appropriate.
- Kearsney Café CCTV – budget of £45k to supply and install CCTV cameras within the park and café to improve safety, protection of property and reduce risk of additional repair costs through vandalism & damage.

11. Identification of Options

11.1 It is a statutory duty to set a budget and approve a Council Tax level. This report seeks Cabinet's approval to consider the proposed budget and associated content in the MTFP. Therefore there are two options:

11.2 Option 1 - Approve the proposed budget to be progressed for final review by Cabinet and approval by Council; or

11.3 Option 2 – Propose changes to the proposed budget to be presented to Council.

12. Evaluation of Options

12.1 Option 1 - Approve the proposed budget to be progressed

12.2 The proposed budget recognises that there is a wide range of unknowns in the expenditure, income and financing of the Council for 2021/22 and that, as in 2020/21, the Council needs the ability to be able to react to changing circumstances and demands in a timely manner.

12.3 The budget therefore proposes to address this by providing the Strategic Director (Corporate Resources) with delegated authority (in consultation with the leader and the portfolio holder for Finance, Governance and Digital) to draw on reserves to meet unexpected costs or lost income, should that be necessary without recourse to Council for a revised budget. For these reasons, this is the recommended option.

Option 2 – Propose changes to the proposed budget to be presented to Council.

12.4 There are two ways to approach this. First, the option to flex the budget in year could be rejected in favour of a more rigid budget envelope. Second, within the proposed envelope, resources could be moved between areas of service.

12.5 Fixing the budget envelope at the current time, with the range of uncertainties set out in this report, would inhibit the Council's ability to react to changing circumstances. The allocation of resources between services reflects the existing level of service provision and the current service pressures. For these reasons this is not the recommended option.

13. Resource Implications

13.1 The revenue budgets and capital plans determine the level of Council Tax and the utilisation of resources for the next year. The MTFP is a key element in the prudent use of resources over the medium term.

14. Climate Change and Environmental Implications

14.1 One constant during these uncertain times is the risk of Climate Change. Recovery plans, strategies and projects should all consider the impacts on Climate change on a case by case basis, and what could be done within the Council's resources to reduce emissions to support delivery of DDC's Climate Emergency ambitions.

15. Corporate Implications

15.1 Comment from the Strategic Director (Corporate Resources): No further comments to add.

15.2 Comment from the Solicitor to the Council: The Solicitor to the Council has been consulted in the preparation of this report and has no further comments to make.

15.3 Comment from the Equalities Officer: This report does not specifically highlight any equality implications, however in discharging their duties members are required to comply with the public sector equality duty as set out in Section 149 of the Equality Act 2010 http://www.legislation.gov.uk/ukpga/2010/15/section/149

16. Appendices

Appendix 1 – General Government Funding for Local Authorities

Appendix 2 – Funding from MHCLG for Inland Ports

Appendix 3 – Draft Budget 2021/22 and Medium-Term Financial Plan 2021/22 – 2024/25

17. Background Papers

2021/22 Budget Working Papers

Contact Officer: Helen Lamb, Head of Finance and Investment

Appendix 1

General Government Funding for Local Authorities

This table shows the position as at December 2020, for the main funding streams, but it is subject to change.

Scheme	2020/21 Allocation £k	2021/22 Allocation £k	Notes
Coronavirus Emergency Response Fund:			
- Tranche 1	65	-	
- Tranche 2	1,182	-	
- Tranche 3	222	-	
- Tranche 4	573	-	
- Tranche 5	-	691	
Total	**2,042**	**691**	
Sales, Fees and Charges (S,F&C) compensation scheme	837 for April-Nov. Dec-March estimated at c.£300k.	-	To compensate local authorities for irrecoverable and unavoidable losses from sales, fees and charges income generated in the delivery of services (2020/21 only). The scheme will involve a 5% deductible rate, whereby authorities will absorb losses up to 5% of their planned 2020/21 sales, fees and charges income, with government compensating them for 75p in every pound of relevant loss thereafter. By introducing a 5% deductible government is accounting for an acceptable level of volatility, whilst shielding authorities from the worst losses. The income is transactional income from customer and client receipts (excluding commercial and residential rents and investment income), which is generated from the delivery of goods and services and which was budgeted for in 2020/21. The ultimate value of this scheme will not be known until the year end and the final return to government.
Sales, Fees and Charges Compensation Scheme - Extension		WIP	Continuation of the scheme that is currently in operation in 2020-21, for the first 3 months of the 2021-22 financial year.

Scheme	2020/21 Allocation £k	2021/22 Allocation £k	Notes
Local Tax Income Guarantee (See CT and BR below)			Compensate local authorities for 75% of irrecoverable losses in council tax and business rates income in respect of 2020-21
- Council Tax	WIP	118	For council tax, this is broadly a comparison of each authority's council tax requirement and an adjusted Net Collectable Debit. This means that the guarantee will predominantly cover expected council tax liability at the time of budget setting for 2020-21, which did not materialise. This might be for example due to an increase in local council tax support costs or unachieved council tax base growth.
- Business Rates	WIP	WIP	For business rates, this is broadly a comparison of income as calculated in the National Non-Domestic Rates ('NNDR') statistical collection forms 1 and 3.
Council Tax Hardship Fund	1,053	-	To provide £150 per Council Tax Reduction Scheme (CTRS) claimant and to meet the costs of uplifting the CTRS income bands by £20 in order to ensure that beneficiaries of the Universal Credit / Tax Credit uplift do not then lose the £20 from reduced CTRS due to their increase in income. These funds were distributed to claimants under S13(1)(c) of the 1992 Local Government Finance Act (as amended) therefore all of the funding was given to the billing authority.
Local Council Tax Support Grant	-	217	Provided to authorities in recognition of the increased costs of providing local council tax support following the pandemic. The cost of CTRS falls proportionately upon KCC, Police, Fire and DDC. Unlike the similar funding for 2020/21, this funding has been distributed by government proportionately to KCC £1,126k, Police £169k and Fire £66k. That is because the costs of any increase in CTRS due to higher claimant levels will fall on all preceptors. At the time of writing it is not clear whether the £20 uplift in UC will end, as is currently legislated, on 31/3/21, or whether it will be extended. It is proposed to amend the CTRS so that it will automatically uplift for the level of National Living Wage and the £20 (or any other level) uplift.

Scheme	2020/21 Allocation £k	2021/22 Allocation £k	Notes
Other notable grants / funding streams			The notes below identify significant grant streams but are not exhaustive.
Reopening High Streets Safely Fund	106		To prepare for the reopening of no-essential retail, supporting support a range of practical safety measures including new signs, street markings and temporary barriers.
Next Steps Accommodation Funding	172		To cover property costs and support new tenancies for around 15,000 vulnerable people who were provided with emergency accommodation during the pandemic.
Emergency Assistance Grant	60	-	DDC share of £934k allocated by KCC, from an allocation of £1.669m from government top KCC to help support the supply and distribution of food and supplies.
Contain Management Outbreak Fund (Lockdown)	309	-	DDC share of £4m allocated by KCC, from an allocation of £12.6m from government to KCC to provide support to local authorities in England towards expenditure lawfully incurred or to be incurred in relation to the mitigation against and management of local outbreaks of COVID-19. This fund is provided to upper tier and unitary authorities at £8 per capita. KCC received £12.6m. KCC are in discussions with districts about the total that should be devolved to district level.
Support to Clinically Extremely Vulnerable	80	-	DDC share of £891k allocated by KCC, from an allocation of £891k from government to KCC to provide support such as access to food deliveries and signposting to local support of befriending services, to the most at risk and enable them to stay at home as much as possible. £900k was allocated to KCC at £14.60 per CEV person.
Support for local authority Leisure Centres	c.260	-	The purpose of this grant has changed over time. Where authorities operate leisure centres directly, or their contractors pass over all the income, they are compensated by the S,F&C scheme mentioned above. However many authorities such as DDC operate leisure centres, particularly newer centres, as concessions and receive the net income. The S,F&C scheme does not recognise the income lost by the operator, and yet we have to compensate them.

Scheme	2020/21 Allocation £k	2021/22 Allocation £k	Notes
			This scheme was originally introduced to address that issue. However, either the issue has not been fully understood by DCMS, or they are not persuaded. As a result, the fund has become a support mechanism for the re-opening costs for leisure centres and does not address the lost income. DDC's entitlement is capped at £260k – but it is a challenge funding system, so we are not guaranteed all of the £260k. It is not clear how the scheme will change to address the additional lost income of the December 2020 lockdown.
Test and Trace	50	-	DDC share of £5.7m allocated by KCC, from an allocation of £6.3m from government to KCC to assist in the local costs of tracing Covid contacts.
Winter Grant Scheme	74	-	DDC share of £900k allocated by KCC, from an allocation of £4.5m from government to KCC to assist in additional winter costs.

Appendix 2

Funding from MHCLG for Inland Ports

- Ashford Borough Council - £1 million
- Bournemouth, Christchurch and Poole Council - £86,000
- Bristol City Council - £86,000
- Cheshire West and Chester Council - £86,000
- Dartford Borough Council - £500,000
- Doncaster Council - £86,000
- Dover District Council - £500,000
- East Riding of Yorkshire Council - £86,000
- East Suffolk District Council - £150,000
- East Sussex County Council - £86,000
- Epping District Council - £500,000
- Essex County Council - £150,000
- Folkestone and Hythe District Council - £150,000
- Great Yarmouth Borough Council - £86,000
- Hampshire County Council - £150,000
- Hull City Council - £150,000
- Ipswich City Council - £86,000
- Kent County Council/Kent Relief Forum - £1.7 million
- Lancashire County Council - £150,000
- Lancaster City Council - £150,000
- Medway Unitary Authority - £150,000
- North East Lincolnshire Council - £150,000
- North Lincolnshire Council - £150,000
- North Tyneside Council - £86,000
- Plymouth City Council - £86,000
- Portsmouth City Council - £150,000
- Redcar and Cleveland Unitary Authority - £150,000
- Sefton Council - £150,000
- Solihull Metro Borough Council - £800,000
- South Holland District Council - £86,000
- Southampton City Council - £150,000
- Tendring District Council - £150,000
- Thanet District Council - £500,000
- Thurrock Council - £500,000
- Warrington Borough Council - £800,000