

**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.

<b>Scheme</b>	<b>2020/21 Allocation £k</b>	<b>2021/22 Allocation £k</b>	<b>Notes</b>
<b>Coronavirus Emergency Response Fund:</b>			
- Tranche 1	65	-	
- Tranche 2	1,182	-	
- Tranche 3	222	-	
- Tranche 4	573	-	
- Tranche 5	-	691	
<b>Total</b>	<b>2,042</b>	<b>691</b>	
Sales, Fees and Charges (S,F&C) compensation scheme	837 for April-Nov.  Dec-March estimated at c.£300k.	-	<p>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.</p> <p>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.</p> <p>The ultimate value of this scheme will not be known until the year end and the final return to government.</p>
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.

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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	-	<p>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.</p> <p>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.</p>
Local Council Tax Support Grant	-	217	<p>Provided to authorities in recognition of the increased costs of providing local council tax support following the pandemic.</p> <p>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.</p> <p>That is because the costs of any increase in CTRS due to higher claimant levels will fall on all preceptors.</p> <p>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.</p>

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<b>Other notable grants / funding streams</b>			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.

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			<p>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.</p> <p>It is not clear how the scheme will change to address the additional lost income of the December 2020 lockdown.</p>
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.