

Covid-19 Finance Update

	Sctn	Page
Summary	1	2
Background	2	3
Schedule of Covid-19 Grants	3	5
Covid-19 Monitoring Return	4	7
Appendices		
Details of Grant Allocations	A	11

Relevant Director	Corporate Director Finance, Zena Cooke
Report author(s)	Head of Finance Policy Planning and Strategy, Dave Shipton
Circulated to	
Classification	Unrestricted

Contact details

Head of Finance Policy, Planning and Strategy Dave Shipton 03000 419 418 dave.shipton@kent.gov.uk
Corporate Director of Finance Zena Cooke 03000 419 205 zena.cooke@kent.gov.uk

Summary

<p>£396.6m grants to KCC provided by central government to support responding to the pandemic</p>	<p>Additional grants have come from a number of departmental announcements during the year. The main emergency grant from MHCLG has come in five tranches between March 2020 to April 2021 and is un-ringfenced (can be used for purposes determined locally in response to or recovery from the pandemic).</p>
	<p>Other grants have been specific grants (can only be used for purposes defined by government). Most of the grants have been allocated on a formulaic basis and some based on claims for costs incurred (including income losses).</p>
	<p>Total grants to KCC for 2021-22 to date are £164.7m.</p>
<p>£37.4m additional grants since last update report to P&R</p>	<p>Two new grant allocations have been announced in recent months. A national total of £462.5m to support local authorities and social care providers to recruit and retain sufficient staff over winter (KCC share £11.9m). A national total of £421m household support fund (KCC share £11.m) to help those households in the most need with food, energy and water bills; other wider essential costs; and in exceptional cases of genuine emergency to support housing costs.</p>
	<p>Further tranches of Infection Control, Rapid Testing, Bus Recovery Grant and Practical Support for Self-isolation have also been released since the last update.</p>
<p>Covid-19 monitoring return shows an overall small net shortfall between grants and forecast additional spending, delayed savings and income losses</p>	<p>KCC submits regular monitoring returns to Department for Levelling up, Housing and Communities and Local Government (DLUHC). The latest returns only show spending and income losses in 2021-22¹ amounting to a forecast net shortfall of £3.4m compared to the available grants by the end of the year. The different timing of grant payments and expenditure/income losses means that at the end of 2020-21 there was a net rollforward of grant of £46.3m into 2021-22.</p>
<p>The un-ringfenced grant has been used to support a variety of council activity across all directorates</p>	<p>Spending on adult social care includes additional demand for care packages, financial support to providers and PPE. Spend on children’s services includes additional demand for care packages, special educational needs and school accommodation. Spend in Growth, Environment and Transport includes additional mortuary capacity and additional waste volumes, etc. Spend in Strategic and Corporate Services includes Helping Hands Scheme and IT/remote working</p>

¹ Previous returns showed 2020-21 and 2021-22

2.1 Since the start of the Covid-19 pandemic the government has provided significant additional financial assistance to support individuals, businesses and public services. The March 2021 budget identified that in total the Government will have provided £352bn over the course of 2020-21 and 2021-22 in response to the pandemic.

2.2 The Chancellor's March 2021 Budget identified that the government has provided an additional £6.5bn to help local authorities in England respond to the impacts of Covid-19 in 2020-21. This is in addition to £1.6bn made available in 2019-20. A further £3bn has been provided in 2021-22 taking the total support provided to local authorities to over £11bn since March 2020. This does not include specific departmental grants and support.

2.3 As soon as the pandemic was announced KCC finance put arrangements in place to capture information about the additional costs the Council would incur. Initially there was very little guidance on the expectations on local authorities. The Government did issue three Procurement Policy Notes (PPN) although these related to suspending aspects of procurement procedure rather than guidance on the type of expenditure the government anticipated local authorities would incur. The Council produced local guidance on the expenditure and income to be captured. This included:

- Additional costs incurred in response to the initial emergency e.g. temporary mortuary, procurement of PPE, etc.
- Additional costs to support market sustainability e.g. payments to support social care providers in meeting Covid-19 related additional costs, payments to home to school transport providers even though no service has been provided due to closures, etc.
- Future demand increases e.g. adult social care where the Council has to assume responsibility following hospital discharges, children's social care due to increased demand following the easing of lockdown restrictions etc.
- Delays in delivering savings
- Loss of income
- Workforce pressures associated with demand increases

2.4 The Ministry of Housing, Communities and Local Government (MHCLG) has asked local councils to provide a monthly return setting out estimates of the impact of the Covid-19 pandemic. Initially this return was used by MHCLG to inform the allocation of additional tranches of the un-ringfenced emergency grant. The returns have evolved over time and include spending from specific grants as well as local spending decisions.

2.5 KCC's returns have identified actual and forecast costs to date. The forecasts have assumed that ring-fenced grants which have not been spent in full in 2020-21 roll forward to 2021-22.

2.6 The 2021-22 budget was approved by County Council on 11th February. This included additional spending associated with the Covid-19 pandemic, spending growth due to business as usual activities, additional savings and income a small net reduction in reserves (including assumed underspend rolled forward from 2020-21 underspend and strengthening general reserves). The increase in the net budget was funded from additional government grants (assumed largely one-off), increase in council tax charge up to but not exceeding the referendum limit (including further adult social care levy), and impact of tax base losses and collection deficits.

2.7 A specific Covid-19 reserve was created as part of 2020-21 outturn from unspent grant (excluding amounts rolled forward for specific approved programmes and projects) amounting to £26.773m. There are differences between the amounts included in the final outturn and MHCLG returns due to year-end accrual requirements not reflected in MHCLG return.

2.8 Local tax collection has been significantly disrupted due to the pandemic and economic recession. Kent districts estimated some of the largest Council Tax losses among all county councils in 2020-21. This was reflected in a 1.04% reduction in the 2021-22 tax base for the Council Tax precept. Previous reports have included monitoring of recovery on Council Tax collections in 2021-22. This is now no longer necessary to be reported in the Covid-19 update report for the remainder of the financial year now that provisional tax base estimates for 2022-23 have been received.

3.1 Table 1 shows the latest amounts allocated from all the various grants provided by government departments in response to the pandemic. The amounts shown in red are estimates.

Table 1 – Covid-19 Grants

	National	KCC			TOTAL
		2019-20	2020-21	2021-22	
	£m	£m	£m	£m	£m
Un-ringfenced Grants					
Emergency Grant	6,157.0	39.0	55.9	32.4	127.3
Compensation for irrecoverable tax losses	854.0		7.0		7.0
Compensation for Covid related Business Rate reliefs	6,527.4		25.6		25.6
Council Tax Support (<i>national allocation incl PCC</i>)	670.0			14.3	14.3
Loss of Sales, Fees & Charges - tranche 1	528.3		0.9	0.0	0.9
Loss of Sales, Fees & Charges - tranches 2-4 *	796.4		10.4	-0.8	9.6
	15,533.2	39.0	99.8	45.9	184.7
<i>* the 2020-21 accounts included an estimate of compensation for the period Nov - Mar. Now that final figures are available, we have found that the estimate was too high, hence a reduction is now showing in 2021-22. We are expecting compensation for Q1 of 2021-22 which will offset this, but do not have details yet of how this will be calculated, so no estimate is provided as yet.</i>					
Social Care Grants					
Infection Control	1,728.0		34.8	18.6	53.4
Rapid testing/vaccines	547.9		4.7	12.1	16.8
Workforce capacity/recruitment & retention	582.5		3.1	11.9	15.0
NHS Hospital Discharge	N/A		10.6	1.4	11.9
	2,858.4	0.0	53.2	43.9	97.0
Public Health Grants					
Contain Outbreak Management	1,817.1		8.4	39.7	48.1
Test & Trace	300.0		1.3	5.0	6.3
Clinically Extremely Vulnerable **	175.3		5.0	0.0	5.0
Asymptomatic Testing #	N/A		7.2	9.6	16.8
	2,292.4	0.0	21.9	54.3	76.2
<i>** £3.2m of the £4.6m Clinically Extremely Vulnerable grant is being rolled forward to be spent in 2021-22</i>					
<i># 2021-22 is a provisional estimate based on our initial application but this is likely to reduce</i>					
Other Grants					
Winter Support	269.1		4.5	2.7	7.1
Emergency Food Assistance	63.0		1.7		1.7
Home to School Transport	135.2		4.2	2.0	6.2
Bus Services	129.6		4.9	2.3	7.2
Targeted Support for UASC	6.0		0.8		0.8
Household Support Fund	421.0			11.1	11.1
Other ***	126.3		1.8	2.6	4.4
Other - reclaim of costs	N/A		0.1	0.0	0.1
	1,150.2	0.0	18.0	20.6	38.7
<i>*** £0.2m of the £1.8m grant in 2020-21 relates to Wellbeing for Education Return. £0.1m of this is to be rolled forward and spent in 2021-22</i>					
Total	21,834.1	39.0	192.9	164.7	396.6

3.2 Some of the grants have been accounted for in 2020-21 even though the income has not been received until after April. In these circumstances a debtor was included in the 2020-21 accounts which in some instances has been based on an estimated amount where the grant allocation had not been confirmed in time for the preparation of the accounts. This could result in variance in 2021-22 when the actual grant is confirmed and received.

3.3 Some of the ring-fenced grants received in 2020-21 were not spent in full in the last financial year and have been carried forward and included in the 2021-22 amounts in table 1. The largest amounts carried forward are within the grants for Contain Outbreak Management and Test & Trace.

3.4 Additional grants have been announced since the last Covid-19 update including:

- New grant to support local authorities and social care providers to recruit and retain sufficient staff over winter, and support growth and sustain existing workforce capacity amounting to £11.9m for KCC
- New Household Support Fund (£11.1m) in the most need with food, energy and water bills. It can also be used to support households with wider essential costs. In exceptional cases of genuine emergency, it can additionally be used to support housing costs where existing housing support schemes do not meet this exceptional need
- Further tranches of Infection Control and Rapid Testing grants to 31st March 2022 (including a new allocation to support care providers and social care staff with the costs associated with accessing Covid-19 and flu vaccinations) amounting to £11.9m for KCC
- Further tranche of Local Authority share of Bus Recovery Grant amounting to £1.0m
- Further tranche of practical support for those self-isolating amounting to £1.2m for KCC

3.5 Appendix A provides more detail about how the main grants have been allocated. The vast majority have been shared out to all authorities based on formulae. Some are subject to bids and some based on actual claims. The additional grants since the last Covid-19 grants have been highlighted in appendix A.

3.5 The majority of the grants in table 1 are reported in the MHCLG monitoring returns including:

- Emergency Covid-19 Grant
- Public Health grants (Test & Trace and Contain Outbreak Management Fund)
- Adult Social Care grants (infection control, hospital discharge, rapid testing, workforce capacity fund)
- Other grants (clinically extremely vulnerable, emergency food assistance, winter grant scheme, home to school transport, emergency active travel fund)

3.6 Un-ringfenced grants can be used for any purpose to support the authority's response to the pandemic. Specific grants can only be used for prescribed purposes determined by government under the conditions for grant.

Covid-19 Monitoring – Key Numbers from July Submission

£32.4m	Un-ringfenced emergency grant funding
£44.7m	Public Health ring-fenced grants (Outbreak Management, Test & Trace)
£30.2m	Social Care ring-fenced grants (Care Homes Infection Control, Rapid Testing, Workforce Recruitment & Retention)
£7.9m	Other ring-fenced grants (Clinically Extremely Vulnerable, Winter Support, Home to School Transport)
£1.4m	Hospital discharge
£46.3m	Surplus from 2020-21
£162.9m	Net funding available
£159.0m	Forecast additional spending (including spending from ring-fenced grants)
£7.3m	Forecast loss of income
£166.3m	Total change in KCC spend and income
£3.4m	Net deficit

4.1 The latest MHCLG returns now only include the impact of Covid-19 in the current financial year (2021-22) with previous years now closed. The most recent return for November includes actual spending and income losses and commitments recorded on the Covid-19 monitoring system together with forecasts for the remainder of the year.

4.2 The final return for 2020-21 showed a surplus of un-ringfenced grant (after carry forward of unspent ring-fenced grants) of £46.3m, this too has been carried forward for comparison purposes. Overall, across 2019-20 to 2021-22 shows that after the carry forward of the surplus from 2020-21 the additional Covid-19 grants are slightly less than the additional actual/forecast costs including delayed savings and income losses leaving a forecast net deficit of £3.4m.

4.3 The main areas of additional spending in 2021-22 include the following:

- Adult social care – additional demand for care including placements and assessment costs for clients discharged from hospitals, market sustainability for care providers (including infection control) and PPE/rapid testing costs
- Children’s services – forecast demand for additional placements and assessment costs due to the impact on vulnerable families from sustained lockdown and school closures, and Reconnect programme
- Education – market sustainability payments to home to school transport providers
- Public transport – market sustainability for transport providers
- Public Health – spending on Contain Outbreak Management, Test & Trace, Clinically Extremely Vulnerable and Winter Support
- Environment – waste management
- Other – delays to savings plans and assumed spending through Helping Hands scheme

4.4 Main income losses come from sales, fees and charges (Kent Travel Saver, Registration and libraries, and adult social care day centres), and investment income.

4.5 Table 2 shows the amounts received from the un-ringfenced emergency grants spread over the years and the amount of spending/delayed savings and income losses excluding the spend from ring-fenced specific grants (public health, social care, etc), which are assumed to be spent in full. Essentially, the spend and income losses against non-ringfenced grants is the spend that the Council decides.

Table 2 – Split of spend/income between un-ringfenced emergency grant and ringfenced grants

	Total £m	2021-22 £m	2019-20 & 2020-21 £m
Emergency Grant	127.316	32.357	94.959
Spend Funded from Emergency Grant	102.997	74.817	28.180
Loss of Income*	27.753	7.314	20.440
Surplus/(Shortfall)	-3.435	-49.774	46.340
Ring-fenced grant and spend	153.429	84.157	69.273

* Income losses include income from sales fees and charges which must be reported in the DLUHC return although losses can be partially compensated by the separate grant made by claim as shown in table 1

4.6 Table 3 provides a breakdown of the additional non-ringfenced spending between the main service areas. Additional spending in adult social care includes additional demand for care packages related to the pandemic, additional support to social care providers, workforce pressures, procurement of personal protective equipment (PPE), and investment in telecare. Children's services include additional residential care related to the pandemic, special educational needs, adaptations to school accommodation and mobile classrooms, Environment and Regulatory includes mortuary accommodation and additional demand for waste services.

Table 3 – Non-ringfenced spending

	Total £m	2021-22 £m	2019-20 & 2020-21 £m
Adult Social Care	44.448	29.367	15.081
Children's Services	18.402	17.959	0.443
Highways & Transport	2.030	2.500	-0.470
Environment & Regulatory	8.738	3.454	5.284
IT & Remote Working	3.977	0.942	3.034
Helping Hands	16.000	16.000	0.000
Delayed Savings	5.745	1.616	4.129
Other	3.658	2.978	0.679
	102.997	74.817	28.180

Details of Grant Allocations

1. Covid-19 Emergency Grant

The Government has used different formulae to allocate each tranche of the Covid-19 emergency. The methodologies from tranche 2 onwards were informed by the impact identified through the MHCLG monitoring returns.

Covid-19 Emergency Grant Tranche1 £1.6bn – March 2020

Just under 87% of the total grant (£1.39bn out of a total of £1.6bn) was allocated to local authorities with social care responsibilities (upper tier and single tier councils) using the adult social care relative needs formula (RNF). The RNF is the same as that used in the Formula Grant calculations prior to 2013-14.

The remaining 13% (£0.21bn) was allocated using the total settlement funding assessment for 2013-14 (a measure of spending needs on all council services). This was allocated to all councils (upper tier, single tier, lower tier and fire & rescue authorities).

KCC's allocation was £39.012m (2.44% of the total).

Covid-19 Emergency Grant Tranche 2 £1.6bn – May 2020

This tranche was allocated according to 2020-21 total population projection for each authority area. In two tier areas 65% was allocated to upper tier (62% for those areas with separate Fire & Rescue authorities with 3% allocated to the fire authority) and 35% to lower tier. In single tier areas with separate Fire & Rescue authorities, 97% went to the local authority and 3% to the fire authority. In London 96% went to boroughs and 4% to the Greater London Authority. The allocations for fire authorities were reduced by pro rata share of £6m to create a fire contingency fund.

KCC's allocation was £27.934m (1.75% of the total)

Covid-19 Emergency Grant Tranche 3 £0.5bn – July 2020

£6m from this tranche was top sliced to be allocated to those authorities with additional Covid-19 costs to support Unaccompanied Asylum Seeking Children (UASC).

The remainder of this tranche £494m was allocated via a new formula taking account of population forecasts weighted for area costs and deprivation. Area cost weightings are based on those proposed for the Foundation Formula through the Fair Funding Review (not yet implemented), these take account of accessibility to services (based on measures of population sparsity and density) and remoteness as well as differences in labour and premises costs. Deprivation weightings are based on average Index of Deprivation (IMD) for the local authority area. Tranche 3 included no allocations for Fire & Rescue authorities.

The split in two tier areas is 79:21 between upper and lower tiers

KCC's allocation was £10.312m (2.09% of the total after top slice)

Covid-19 Emergency Grant Tranche 4 £1.0bn – October 2020

£100m of this tranche was top sliced to compensate for income losses on local authority leisure centres.

The remaining £0.9bn was added to previous allocations from tranches 1-3 excluding the allocations to Isles of Scilly (including a share of tranche 4 based on the isles population as a proportion of total population), Fire & Rescue Authorities and Greater London Authority. The total local authority shares of tranches 1 to 4 of £4.553bn were re-allocated using the same population/area cost/deprivation formula as tranche 3 to calculate a notional revised total allocation. This resulted in some authorities receiving no additional funding from tranche 4 and some authorities receiving a fixed £100k minimum as their tranche 4 allocation. Effectively this means for most authorities the total share of tranches 1 to 4 is determined according to population estimate weighted according to area costs and relative deprivation.

KCC's allocation from tranche 4 was £17.701m (1.9% of the total after the top slice).

Covid-19 Emergency Grant Tranche 5 £1.55bn – December 2020 (to be paid in April 2021)

This tranche was allocated via the same formula introduced for tranche 3 (and used for the reallocations in tranche 4) based on population forecasts weighted for area costs and deprivation.

KCC's allocation from tranche 5 was £32.357m (2.09% of the total).

KCC's total allocation for tranches 1-5 is £127.316m (2% of the total after top slices) as per table 1.

2. Compensation Grants

A) Compensation for Business Rates Reliefs

Local authorities have been compensated for the additional business reliefs granted during COVID-19 lockdowns. Initially this grant has been paid to collection authorities (districts councils in two tier areas). We have included a debtor in the 2020-21 accounts based on the county council's share of business rates from business rates estimates returns (NNDR1)

B) Tax Income Guarantee

Separate grants are available to support 75% of tax collection losses in 2020-21. For council tax the grant has initially been determined according to estimated losses on the collectable amount (i.e. does not include under collection of council tax due as this has not been deemed irrecoverable). Business rates losses include all losses including uncollected tax other than those due to additional Covi-19 reliefs or appeals or material changes in circumstances. As with council tax the business rates compensation has initially been determined according to estimated losses.

An initial instalment of 50% has been paid in May with a second instalment based on outturn data provided later in the year.

C) Local Council Tax Support

This is a new grant for 2021-22, as originally announced at the Spending Review on the 25 November (chapter 6, paragraph 65). It is being provided to authorities as part of £670m support package in recognition of the anticipated additional cost of providing Local Council Tax Support (LCTS) in 2021-22, at a time when more households are likely to be facing financial difficulties as a result of the pandemic. The grant is for local authorities to keep, and the funding is unringfenced.

D) Loss of Sales Fees & Charges Income

Local authorities are able to claim up to 75% for irrecoverable losses on sales, fees and charges income due to the impact of the pandemic. To date claims have been submitted based on actual/assumed losses in 2020-21. Claims can be submitted for losses in the first quarter of 2021-22 while Covid-19 restrictions remain in place.

3. Adult Social Care Infection Control Fund

Tranche 1 £0.6bn – June 2020

The allocation shares for each local authority are calculated according to the number of registered care home beds in each local authority area (upper tier and single tier only) weighted by an area cost adjustment. The area cost adjustment reflects differences in wages and prices in different local authorities.

The government expected that care homes should receive a payment for the number of registered beds, representing 75% of the total funding. The remaining 25% can be paid to care homes or domiciliary care providers and support wider workforce resilience as determined by each local authority.

KCC's allocation was £18.878m (3.15% of the total). £0.724m has been treated as a receipt in advance and rolled forward into 2021-22 leaving a net £18.154m accounted for in 2020-21.

Tranche 2 £0.546bn – September 2020

71% of the grant (£387.5m) is allocated on the basis of the number of care home beds, and 29% (£158.5m) is allocated on the basis of users supported by community care providers. The allocations for each local authority for care homes proportion is calculated according to the number of registered care home beds in each local authority area weighted by an area cost adjustment.

The government expected that care homes should receive a payment for the number of registered beds, and community care providers for the number community care users, representing 80% of the total funding. The remaining 20% can be paid to care homes or domiciliary care providers and support wider workforce resilience as determined by each local authority.

KCC's allocation was £16.653m (3.05% of the total). This together with the net balance from tranche 1 leaves a total of £34.807m in 2020-21 as per table 1.

Tranche 3 £0.2025bn – March 2021 (to be paid in April 2021)

52.5% is allocated on the basis of the number of care home beds for care homes plus the maximum number of service users for residential drug and alcohol settings. 17.5% is allocated on the basis of users supported by community care providers.

The 70% made via direct allocations is intended to be passed on to care providers.

30% is allocated as a discretionary amount on the basis of the combined distributions used for community care and care homes plus residential drug and alcohol.

KCC's allocation £6.176m (3.05% of the total).

Tranche 4 £0.1425bn – July 2021

This tranche represents an extension of funding until September 2021 and is allocated via the same formula as tranche 3 with the same expectations to pass on funding to providers.

KCC's allocation for tranche 4 £4.393m (3.08% of the total).

Tranche 5 £0.237bn – October 2021

This tranche represents an extension of funding until March 2022 and is allocated via the same formula as tranche 3 with the same expectations to pass on funding to providers.

KCC's allocation for tranche 5 £7.275m (3.07% of the total).

This together with the receipt in advance from tranche 1 and tranches 3 and 4 results in a total of £18.568m in 2021-22 as per table 1.

4. Adult Social Care Rapid Testing Fund

Tranche 1 £0.149bn – January 2021

The allocation shares for each local authority are calculated according to the number of care home beds and the potential numbers of users of residential alcohol and drug services in each local authority (upper and single tier) weighted by an area cost adjustment. The area cost adjustment reflects differences in wages and prices in different local authorities.

The government expected that care homes should receive a payment for the number of registered beds and residential alcohol and drug services beds, representing 80% of the total funding. The remaining 20% is available for local authorities' discretionary use to support the care sector to operationally deliver LFD testing.

KCC's allocation was £4.686m (3.14% of the total) in 2020-21 as per table 1.

Tranche 2 £0.139bn – March 2021 (to be paid in April 2021)

The total grant (£138.695 million) is split at a national level between care homes combined with residential drug and alcohol settings and community care providers.

60% is allocated on the basis of the number of care home beds for care homes plus the maximum number of service users for residential drug and alcohol settings. 40% is allocated on the basis of users supported by community care providers.

KCC's allocation is £4.143m (3.0% of the total)

Tranche 3 £0.1088bn – July 2021

This tranche represents an extension of funding until September 2021 and is allocated via a revised formula with 70% allocated on the basis of the number of care home beds for care homes plus the maximum number of service users for residential drug and alcohol settings. This element should be passed on to providers.

30% discretionary element is allocated on the basis of users supported by community care providers.

KCC's allocation for tranche 3 is £3.330m (3.06% of the total).

Tranche 4 £0.1263bn – October 2021

This tranche represents an extension of funding until March 2022 and is allocated via the same formula as tranche 3 with the same expectations to pass on funding to providers.

KCC's allocation for tranche 4 is £3.852m (3.05% of the total).

Care Workers Access to Vaccines Fund £0.025bn – October 2021

This was a new element added as part of the extension of Infection Control and Rapid Testing in October 2021 to support care providers and social care staff with the costs associated with accessing COVID-19 and flu vaccinations.

35% is allocated on the basis of the number of care home beds for care homes plus the maximum number of service users for residential drug and alcohol settings. 35% is allocated on the basis of users supported by community care providers. As with Infection Control and Rapid Testing this 70% direct element should be passed directly to providers.

30% is allocated as a discretionary amount on the basis of the combined distributions used for community care and care homes plus residential drug and alcohol.

KCC's allocation £0.743m (3.0% of the total).

This allocation together with tranches 2, 3 and 4 of the Rapid Testing Fund make up the £12.069m in 2021-22 as per table 1.

5. Adult Social Care Workforce Capacity Fund **£0.120bn – January 2021**

Each authority's allocation is determined using the Adult Social Care RNF

KCC's allocation is £3.082m (2.57% of the total) and is shown in 2020-21 as per table 1.

This funding enable local authorities to deliver measures to supplement and strengthen adult social care staff capacity to ensure that safe and continuous care is achieved to deliver the following outcomes:

- maintain care provision and continuity of care for recipients where pressing workforce shortages may put this at risk

- support providers to restrict staff movement in all but exceptional circumstances, which is critical for managing the risk of outbreaks and infection in care homes
- support safe and timely hospital discharges to a range of care environments, including domiciliary care, to prevent or address delays as a result of workforce shortages
- enable care providers to care for new service users where the need arises

KCC is passporting 89% of the overall grant to all CQC registered providers and the remainder is going to support the Design Learning Centre and KICA (Trade Association) who support the whole market in recruitment, training and development.

Workforce Recruitment & Retention Fund Round 1 £0.1625bn – October 2021

This grant is intended to support local authorities and social care providers to recruit and retain sufficient staff over winter, and support growth and sustain existing workforce capacity.

Councils are expected to work closely with their provider partners to think innovatively about the measures they put in place individually and collectively, including passporting funding directly to providers where appropriate. It will be important to retain existing staff capacity as well as encourage new and returning entrants.

This is a new grant, separate to the third Infection Control and Testing Fund, which will further help the care sector respond to the challenges posed by winter pressures and will be paid to local authorities in England.

The grant is ring-fenced and will be paid in 2 instalments to local authorities, £97.5 million (60%) in November 2021 and the second instalment worth £65 million (40%) in January 2022 subject to competing a return to the Department of Health and Social Care by 14 January 2022. It is expected the grant will be spent in full by 31 March 2022.

The distribution of this grant to local authorities is based on the standard adult social care relative needs formula (RNF), KCC's share is £4.174m (2.57% of the total)

Workforce Recruitment & Retention Fund Round 2 £0.300bn – December 2021

Additional allocation to address staffing concerns. This allocation can be used to increase pay or staff capacity. Detailed allocations have not been announced but we have estimated KCC's share as £7.705m based on the same 2.57% share of the national total.

The two allocations of the workforce recruitment and retention fund amount to £11.879m 2021-22 as shown in table 1.

6. Test & Trace Service Support Grant

£0.3bn – June 2020

Each authority's allocation is determined pro rata to the local authority Public Health Grant 2020-21.

KCC's allocation was £6.311m (2.1% of the total). £5.002m has been treated as a receipt in advance and rolled forward into 2021-22 leaving a net £1.309m accounted for in 2020-21 in table 1.

7. Covid Winter Support Grant Scheme

Tranche 1 £0.170bn – November 2020

Each authority's allocation is based on estimated costs. The grant is made available to support those most in need with the cost of food, energy (heating, cooking, lighting), water bills (including sewerage) and other essentials. The grant must be spent by 31st March 2021, 80% on families with children and 80% on food and fuel costs.

KCC's allocation was £4.504m (2.65% of the total). £0.034m has been treated as a receipt in advance and rolled forward into 2021-22 leaving a net £4.470m accounted for in 2020-21 in table 1.

Tranche 2 £0.059bn – February 2021 (to be paid in April 2021)

The scheme has been extended to reflect the rollout of the roadmap to recovery up to 20th June 2021

KCC's allocation is £1.566m (2.65% of the total).

Tranche 3 £0.040bn – February 2021 (to be paid in April 2021)

The scheme has been extended to reflect the rollout of the roadmap to recovery up to 20th June 2021

KCC's allocation is £1.060m (2.65% of the total). This together with tranche 2 and the receipt in advance from tranche 1 leaves a total of £2.660m in 2021-22 as per table 1.

8. Local Authority Emergency Assistance Grant for Food and Essential Supplies

£0.063bn – July 2020

Each authority's allocation is determined according to the population of each local authority, weighted by a function of the English Index of Multiple Deprivation (IMD).

KCC's allocation was £1.669m (2.65% of the total)

9. Clinically Extremely Vulnerable (CEV) Funding

Tranche 1 £0.0327bn – November 2020

Allocated to upper tier councils (county councils and single tier authorities) to support the clinically extremely vulnerable during second national lockdown in November. It will be used 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.

KCC's allocation was £0.890m (2.72% of the total)

Tranche 2 £0.0088bn – December 2020

Allocated to upper tier authorities areas which entered Tier 4 where Shielding guidance had been introduced prior to the 5th January on updated CEV patient count

KCC's allocation is £0.508m (5.79% of the total)

Tranche 3 £0.0317bn – January 2021

Allocated to upper tier councils (county councils and single tier authorities) on updated CEV patient count

KCC's allocation is £0.900m (2.84% of the total)

Tranche 4 £0.0408bn – February 2021

Allocated to upper tier councils (county councils and single tier authorities) on updated CEV patient count

KCC's allocation is £1.104m (2.70% of the total)

Tranche 5 £0.0613bn – March 2021

Allocated to upper tier councils (county councils and single tier authorities) on updated CEV patient count

KCC's allocation is £1.601m (2.61% of the total)

Total for CEV for 2020-21 is £5.003m as shown in table 1. £3.2m is rolled forward into 2021-22.

10. Contain Outbreak Management Fund

Areas of Enhanced Support and Areas of Intervention £0.035bn – June 2020

Targeted to particular areas. KCC received no allocation from this distribution

Local COVID alert level payments £0.124bn – October 2020

Following the move to local COVID alert levels targeted local authorities were eligible for payments from the Contain Outbreak Management Fund to support proactive containment and intervention measures. KCC received no allocation from this distribution

National Restriction Payments £0.326bn - November 2020

Following the introduction of second National Lockdown allocated to all single tier and upper tier authorities as £8 per head of estimated population.

KCC's allocation was £12.652m (3.87% of the total). £8.434m has been spent in 2020-21 (as shown in table 1) with the balance £4.219m rolled forward into 2021-22

Tier Restriction Payments – December 2020

Following the introduction of tiering system allocated to all single tier and upper tier authorities as £4 per head of estimated population in tier 3 and £2 per head in tier 2

KCC's allocation was £6.326m

National Restriction Payments – January 2021

Following the introduction of third National Lockdown allocated to all single tier and upper tier authorities as £4 per head of estimated population.

KCC's allocation was £6.326m

National Restriction Payments – February 2021

Following the introduction of third National Lockdown allocated to all single tier and upper tier authorities as £4 per head of estimated population.

KCC's allocation was £6.326m

National Restriction Payments – March 2021

Following the introduction of third National Lockdown allocated to all single tier and upper tier authorities as £4 per head of estimated population.

KCC's allocation was £8.134m

KCC Total allocation for 2020-21 was £39.765m. £31.331m had been treated as receipt in advance and rolled into 2021-22 leaving a net balance for 2020-21 of £8.434m as per table 1.

2021-22 £0400bn – March 2021 (to be paid in April 2021)

A further £400 million has been allocated for the 2021-22 financial year. The funding is available to support public health activities directly related to the COVID-19 response, such as testing, non-financial support for self-isolation, support to particular groups (CEV individuals, rough sleepers), communications and engagement, and compliance and enforcement. There will not be a separate ringfenced grant for compliance and enforcement in 2021-22.

The funding formula and scope of the COMF has developed in response to the changing nature of the pandemic. For the 2021-22 financial year, the COMF will be allocated using MHCLG's COVID-19 relative needs formula, which is weighted according to population and deprivation, and maps well against areas of enduring transmission. The 2021-22 COMF will be distributed to LAs as a single payment to support their continued public health response work, particularly as LAs work to ensure a smooth de-escalation of national restrictions through summer 2021.

In two-tier areas, a proportion of the funding will be directly allocated to the lower tier. This reflects the fact that district councils share the responsibility for delivery of a number of the COMF priorities, including having a lead role on compliance and enforcement activity. County councils are encouraged to allocate a greater share of the funding to district authorities if local plans indicate this is needed.

KCC's share of the £0.4bn under the formula is £8.350m (2.09% of the total). This is less than the share in 2020-21 due to the direct allocations to districts in two tier areas.

The £4.219m rollover from November plus rollover of £27.112m from December to March payments plus the £8.350m for 2021-22 makes up the total of £39.681m shown in 2021-22 in table 1

11. Asymptomatic Community Testing

Tranche 1 – December 2020

The Community Testing Programme (CTP) was launched in December 2020 to enable local authorities with high prevalence of COVID-19 to work in partnership with the UK government to accelerate a reduction in prevalence by identifying asymptomatic cases through local testing and supporting them to isolate. It works alongside other forms of symptomatic and asymptomatic testing led by national government and has a powerful role to play in protecting the public's safety and wellbeing, particularly by providing testing to critical local services and hard to reach communities based on local knowledge and prioritisation.

The approved funding initially covered Tier 3 and 4 local authorities which focused on asymptomatic hard to reach segments of the population. Funding available to local areas will be estimated based on the number of tests they aim to deliver. Total funding per test is set at a maximum of £14, for all local authorities participating in the Community Testing Programme, however up to £6 of materials per test can be sourced from centrally procured arrangements in place. This funding per test is expected to cover all reasonable costs associated with the programme including site costs, workforce costs, PPE requirements, communication and marketing, logistic and other delivery costs.

KCC's estimated share of tranche 1 was £2.1m based on the number of tests anticipated be delivered across 24 sites

Tranche 2 January 2021

Following the introduction of National Lockdown the programme was extended to all local authority areas to the end of march. Funding continued to be up to £14 per test.

KCC's estimated share of tranche 2 was £4.2m. In addition the first two tranches of estimated income a debtor for £0.893m was set up in the final accounts for 2020-21 based on further estimated income. This takes the total estimated funding for 2020-21 to £7.193m as shown in table 1.

The scheme has been extended until end of July 2021. The estimated income for 2021-22 is £10.491m less £0.893m reversal of debtor leaving a net £9.598m as shown in table 1.

12. School and Colleges Transport Capacity Grant

Tranche 1 £0.044bn – August 2020

Initially allocated for the first half of the autumn term to coincide with the return for all children and young people to return to full-time education in September.

The funding enables local authorities to create extra capacity to allow more students to use alternatives to public transport, while social distancing measures remain in place.

Funding was allocated to local authorities to reflect the number of children and young people in the local area and how far they have to travel. This includes students travelling to education or training, as well as anyone supervising or escorting students to education provision.

KCC's share was £1.543m

Tranche 2 £0.0274bn – November 2020

Extension for second half term

KCC's share £1.057m

Tranche 3 £0.0271bn – February 2021

Extension to March 2021

KCC's Share £1.928m

A receipt in advance for £0.314m was set up at the end of 2020-21 and rolled forward into 2021-22. This takes the total grant for 2020-21 to £4.214m as shown in table 1.

Tranche 4 – April 2021

Extension for first half of summer term.

KCC's share £0.869m

Tranche 5 – June 2021

Extension for second half of summer term

KCC's share £0.852m

This takes the total for 2021-22 to £2.035m including the receipt in advance rolled forward from 2020-21

13. Covid Bus Services Operators Grant

A element of the Bus Services Operators Grant (BSOG) has been provided to local authorities to support public bus services during Covid-19 restrictions.

KCCs share in 2020-21 has been £4.296m. A separate restart grant of £0.620m has also been provided.

KCC's estimated share for Bus Service Operator's Grant in 2021-22 is £2.282m

14. Emergency Active Travel Fund

Part of £225m – June 2020

Local authorities (including combined authorities) were invited to submit bids to improve cycling and walking facilities. Tranche 1 supports the installation of temporary projects for the COVID-19 pandemic. Authorities received either 100%, 75%, 50% or 25% of their bids based on the extent to which they aligned with the

criteria. Tranche 1 allocations amounted to £39.840m including capital and revenue elements.

KCC's allocation was £1.6m (£1.13m capital, £0.47m revenue) amounting to 4% of the total. KCC's capital is 100% of the amount requested.

15. Household Support Fund

£0.421bn – September 2021

In September 2021 the government announced that vulnerable households across the country will be able to access a new £500m support fund to help them with essentials over the winter. This funding covers the period 6 October 2021 to 31 March 2022 inclusive. £421m has been made available to County Councils and Unitary Authorities in England to support those most in need this winter during the final stages of economic recovery.

Local authorities have discretion on exactly how this funding is used within the scope set out in guidance and Grant Determination conditions. The expectation is that the grant should primarily be used to support households in the most need with food, energy and water bills. It can also be used to support households with essential costs related to those items and with wider essential costs. In exceptional cases of genuine emergency it can additionally be used to support housing costs where existing housing support schemes do not meet this exceptional need.

The grant should be spent or committed before 31 March 2022 and cannot be rolled forward. This includes payments made, or committed to, by the Authority or any person acting on behalf of the Authority, from 06 October 2021 to 31 March 2022. For example, this would allow any vouchers issued before the end of the funding period to be redeemed in April 2022. All authorities are encouraged to ensure that any vouchers issued are redeemed before the end of the scheme, or shortly thereafter, or consider recycling unused vouchers

Local authorities should develop a 'local eligibility framework and approach' to enable them to distribute grant funding that best supports households most in need. At least 50% of the funding is for vulnerable households with children. The remainder of the funding (up to 50%) is available for vulnerable households without children (including individuals).

Local authorities have flexibility to develop a local delivery approach that best fits the scheme's objectives. Where Authorities choose to work with multiple organisations to provide a local delivery network or where Authorities engage with District Councils to deliver this grant on their behalf, detailed arrangements and funding should be made available to those organisations as soon as possible so that support for vulnerable households can be provided as soon as is practically possible.

County Councils are expected to work collaboratively with District Councils and other organisations in their area who may come into contact with those households who are eligible and would benefit from this grant. Authorities that do not have the mechanisms in place to administer this grant should consider whether District Councils are better placed to do so on their behalf. If Authorities decide to engage with District Councils in this way they are encouraged to do so as quickly as possible to ensure roles, responsibilities and effective arrangements are put in place to deliver

the scheme promptly and efficiently. Where Authorities are working with Third Party Organisations (TPOs), this should be done on an objectively fair, transparent and non-discriminatory basis, having regard to the time available to deliver the scheme.

Local authorities are required to make two Statements of Grant Usage and management information (MI) to the Department for Work and Pensions (DWP). An interim MI return is required by 21 January 2022 for spend for the period 6 October 2021 to 31 December 2021. The interim MI return will be used to determine eligible spend to 31 December 2021 and an interim grant payment will be made to for this period when the information in the return has been verified.

A final MI return is required showing total spend from 6 October 2021 to 31 March 2022 by 22 April 2022. The final MI return will be used to determine total eligible spend to 31 March 2022 and a final grant payment will be made for this period when the information in the return has been verified.

Household Support Fund is ring-fenced. KCC's notional share is £11.065m (2.63% of national total)

16. Practical Support for Self-Isolation

£12.9m per month March 2021 to June 2021

Funding to allow councils to provide financial support and to design and deliver bespoke interventions to support their local communities to self-isolate successfully when instructed to do so.

The amount above is the overall funding allocation that is divided and distributed amongst Upper-Tier Local Authorities according to COVID-19 relative needs formula

Practical support funding can only be used to deliver practical, social and emotional support to people who are self-isolating as positive cases or close contacts. This funding cannot be used to deliver financial support.

KCC's share is £0.341m per month (2.65% of the total)

£15.6m per month July 2021 to September 2021

KCC's share is £0.412m per month (2.65% of the total)

A total of £2.603m for this grant is shown in 2021-22 under the "other" line in table 1.

