

Covid-19 Finance Update

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Classification Unrestricted

Background Documents

1. 2021-22 provisional outturn report to Cabinet
<https://democracy.kent.gov.uk/ieListDocuments.aspx?CId=115&MId=8902&Ver=4>
2. Covid-19 Emergency Grant announcements
<https://www.gov.uk/government/publications/covid-19-emergency-funding-for-local-government>

1. Summary

<p>£419.4m 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 Department for Levelling Up, Housing and Communities (DLUHC) 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). These grants have come from DLUHC, Department for Health and Social Care (DHSC), Department for Education (DfE), Department for Transport (DfT), Department for Work and Pensions (DWP) and Department for Environment, Food and Rural Affairs (DEFRA)</p> <p>£2m of specific grants have been unspent by the end of 2021-22 and will be repaid.</p>
<p>£27.0m additional grants since last update report to P&R</p>	<p>An additional £16.5m has been received in compensation for local tax losses and business rate reliefs.</p> <p>Further tranches of Infection Control (Omicron Support Fund) £1.5m, NHS Hospital Discharge £1.6m, Winter Support Grant £4.2m, Home to School Transport £0.4m, Bus Services (£1.5m in 2022-23), Wellbeing for Education Recovery £0.2m, and Practical Support for Self-isolation £1.1m have also been released since the last update.</p>
<p>Covid-19 monitoring return shows an overall surplus between grants and forecast additional spending, delayed savings, income losses and underspends in 2021-22</p>	<p>KCC submits regular monitoring returns to DLUHC. The return includes spending against the emergency grant and a number (but not all) of departmental specific grants. The latest return was submitted on 13th May 2022 based on indicative outturn information for 2021-22. DLUHC accepted that the deadline for submission meant information could not be supplied based on the final outturn. The May return showed a significant movement from previous returns with a surplus of £69.2m against the grants included in the return including £46.3m grants paid in 2020-21 rolled forward 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 including projects to tackle backlogs. Spending on children's services includes additional latent demand for care packages, higher cost of delayed court proceedings and additional temporary buildings due to delays on capital projects. Spending in Growth, Environment and Transport includes additional waste volumes from increased in kerbside tonnage, etc. Spending in Strategic and Corporate Services includes</p>

increased revenue contributions to capital, Member Covid-19 grants, IT/hybrid working and social distancing measure in Council buildings.

Underspends due to the pandemic have arisen due to delayed recruitment, ongoing closures of facilities and reduced take-up of services.

KCC 2021-22
outturn report shows
spending against the
emergency grant

The emergency grant is held in a Covid-19 reserve and drawn down at year end. In 2021-22 there was £30.6m of additional spending associated with the pandemic, £4.2m income losses, and £2.2m unrealised savings. These were offset by £19.0m of underspends leaving net spend of £18.0m to be funded from the reserve. The opening balance on the reserve was £71.7m leaving a residual balance of £53.7m to carry into 2022-23. Commitments of £38.8m have already been identified leaving £14.9m for any emerging spend and income losses.

2. Background

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 Autumn 2021 Budget identified that the government has provided an additional £15.9bn to help local authorities in England respond to the impacts of Covid-19 in 2020-21 from DLUHC. This is in addition to £1.6bn made available in 2019-20. A further £9.8bn has been provided from DLUHC in 2021-22 taking the total support provided to local authorities to over £27bn since March 2020. This does not include specific grants from other government departments as the amounts made available to local authorities were not separately identified in the statement.

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 DLUHC 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 the Department 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 assumed that ring-fenced grants which were not spent in full in 2020-21 would roll forward to 2021-22. There was no facility in the latest return to show rollover in 2022-23.

2.6 The 2021-22 budget was approved by County Council on 11th February 2021. 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 (one-offs for Covid-19), 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 The 2022-23 budget was approved by County Council on 10th February 2022. The 2022-23 budget did not include any Covid-19 emergency grant but did include compensation for Covid-19 business rates reliefs, write-off of local tax collection deficits from 202-21 over three years together with the there-year spread of compensation grants for irrecoverable losses.

2.8 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).

2.9 Local tax collection was 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 (representing £7.8m less Council tax for the 2021-22 budget compared to 2020-21) and an estimated collection fund deficit of £13.9m. A local Council Tax support grant was provided as part of the 2021-22 settlement amounting to £14.3m as a well a £7.0m grant to partially compensate for irrecoverable losses on collection.

3. Schedule of Covid-19 Grants

3.1 Table 1 shows the latest amounts allocated from all the various grants provided by government departments in response to the pandemic. The table also shows the amounts where grant was unspent at the end of the year.

Table 1 – Covid-19 Grants

	National	KCC					TOTAL	Repayment
	£m	allocation £m	2019-20 £m	2020-21 £m	2021-22 £m	2022-23 £m		
Unringfenced Grants								
Emergency Grant	6,157.0	127.3	39.0	55.9	32.4		127.3	0.0
Compensation for irrecoverable tax losses	800.6	7.0		7.0	0.0		7.0	0.0
Compensation for Covid related Business Rate reliefs	14,191.8	42.1		25.6	16.5		42.1	0.0
Council Tax Support	670.0	14.3			14.3		14.3	0.0
Loss of Sales, Fees & Charges - tranche 1-4*	1,535.0	10.5		11.3	-0.8		10.5	0.0
	23,354.4	201.3	39.0	99.8	62.4	0.0	201.3	0.0
<i>* the 2020-21 accounts included an estimate of compensation for the period Nov - Mar. The estimate was too high, hence a reduction is now showing in 2021-22, which has been partially offset by compensation for Q1 of 2021-22.</i>								
Social Care Grants								
Infection Control	1,788.0	54.9		34.8	19.1		53.9	1.0
Rapid testing/Vaccines	547.9	16.8		4.7	11.7		16.4	0.4
Workforce capacity/recruitment & retention	582.5	15.0		3.1	11.8		14.9	0.1
NHS Hospital Discharge	N/A	13.6		10.6	3.0		13.6	0.0
	2,918.4	100.2	0.0	53.2	45.6	0.0	98.7	1.5
Public Health Grants								
Contain Outbreak Management	1,817.1	48.1		8.4	39.2	0.5	48.1	0.0
Test & Trace	300.0	6.3		1.3	2.7	2.3	6.3	0.0
Clinically Extremely Vulnerable	175.3	5.0		4.6	0.4		5.0	
Asymptomatic Community Testing	N/A	12.3		7.2	5.1		12.3	0.0
	2,292.4	71.7	0.0	21.6	47.3	2.8	71.7	-0.0
Other Grants								
Winter Support	429.1	11.4		4.5	6.9		11.4	-0.0
Emergency Assistance for Food & Essential Supplies	63.0	1.7		1.7			1.7	-0.0
School & College Transport capacity funding	145.1	6.7		4.2	2.4		6.6	0.1
Bus Services	279.6	8.7		4.9	2.3	1.5	8.7	0.0
Targeted Support for UASC	6.0	0.8		0.8			0.8	-0.0
Household Support Fund	421.0	11.1			9.2	1.9	11.1	-0.0
Other	173.8	5.7		1.8	3.8	-0.4	5.2	0.4
Other - reclaim of costs	N/A	0.1		0.1	0.0		0.1	-0.0
	1,517.6	46.2	0.0	18.0	24.6	3.0	45.6	0.5
TOTAL	30,082.7	419.4	39.0	192.5	179.9	5.8	417.3	2.0

3.2 At this stage we have assumed that grants made on claim are fully taken up. When the claims are reviewed there may be some variances to report and repay in 2022-23 e.g. Practical Support for Self Isolation. Similarly other unspent grants where a receipt in advance has been set up in 2021-22 accounts may not be fully spent in 2022-23 leading to further repayments.

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

- Compensation for business rates reliefs. This includes the final compensation for Covid-19 reliefs in 2020-21 based on actual cost, the extension of

mandatory reliefs in 2021-22 and additional relief fund for 2021-22. In total these amount to £16.5m. The amount (£11.9m) for the extension of reliefs in 2021-22 was included in 2022-23 budget as drawdown from reserve to offset the impact on collection fund balances on upper tier authorities.

- Additional tranche of Infection Prevention and Control through Omicron Support Fund. KCC's share is £1.5m
- Further tranche of Local Support Grant (winter support) for June to September of £4.2m taking the total for 2021-22 to £6.9m
- An increase in tranche 3 of the NHS hospital discharge taking the total for 2021-22 to £3.0m
- Further tranches of grant for home to school transport of £0.4m taking the total for 2021-22 to £2.4m
- Extension of Bus Services support until October 2022 with £1.5m of grant due in 2022-23
- Further tranche of Wellbeing for Education Recovery of £0.2m in 2021-22
- Further tranche of Practical Support for Self Isolation covering October 2021 to February 2022 of £1.1m, increasing the total allocation for 2021-22 to £3.7m although as already indicated the final claim may be less.

3.4 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 Household Support Fund has been extended in 2022-23 to help older residents, families with children and other vulnerable families with the cost of living due to higher inflation (particularly energy and food). However, this extension is unrelated to Covid-19 pandemic and not covered in this report.

3.6 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)

3.7 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.

4. Covid-19 Monitoring Returns

Covid-19 Monitoring – Key Numbers from May 2022 Submission

£32.4m	Un-ringfenced emergency grant funding
£44.7m	Public Health ring-fenced grants (Outbreak Management, Test & Trace)
£43.3m	Social Care ring-fenced grants (Care Homes Infection Control, Rapid Testing, Workforce Recruitment & Retention)
£13.0m	Other ring-fenced grants (Clinically Extremely Vulnerable, Winter Support, Home to School Transport)
£3.1m	Hospital discharge
£46.3m	Surplus from 2020-21
£182.8m	Net funding available
£106.6m	Forecast additional spending (including spending from ring-fenced grants)
£7.0m	Forecast loss of income
£113.6m	Total change in KCC spend and income
£69.2m	Net Surplus

4.1 The latest MHCLG returns only include the impact of Covid-19 in the current financial year (2021-22) with previous years now closed. The most recent return for May 2022 includes actual spending and income losses recorded on the Covid-19 monitoring system. The return was submitted before the outturn for 2021-22 was finalised and thus includes some minor differences from the final outturn.

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 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 significantly more than the additional actual/forecast costs including delayed savings and income losses leaving a forecast net surplus of £69.2m from the un-ringfenced emergency grant and specific grants. This comprises £54.3m from the emergency grant and £14.9m from specific grants.

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 latent demand for care placements and complexity due to the impact on vulnerable families from sustained lockdown and court delays
- Education – market sustainability payments to home to school transport providers, additional temporary school accommodation and Reconnect programme
- 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 through increased kerbside tonnage

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. Essentially, the spend and income losses against non-ringfenced grants is the spend that the Council decides.

Table 2 – Split of spend/income from un-ringfenced emergency grant

	Total	2021-22	2019-20 & 2020-21
	£m	£m	£m
Emergency Grant Funding	127.316	32.357	94.959
Spend Funded from Emergency Grant	45.611	17.431	28.180
Loss of Income*	27.414	6.974	20.440
Surplus / (Shortfall)	54.291	7.952	46.340

* income losses include 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 shows the amounts received from the specific ring-fenced grants which have to be reported in the DLUHC return. Not all of the specific grants shown in table 1 are reported in the return.

Table 3 – Specific Grants

	Grant Funding	2021-22 Spend	2020-21 Spend	Surplus / (Shortfall)
	£m	£m	£m	£m
Contain Outbreak Management	48.115	31.971	8.434	7.710
Test & Trace	6.311	2.703	1.309	2.300
Infection Control	54.940	19.093	34.831	1.016
Rapid Testing	16.011	11.126	4.686	0.199
Workforce Recruitment & Retention	14.962	11.881	3.082	-0.002
Clinically Extremely Vulnerable	5.002	0.000	1.399	3.603
Winter Support	11.369	6.899	4.470	0.000
Food and Essential Supplies	1.669		1.669	
Home to School Transport	6.739	2.403	4.214	0.121
Active Travel	0.470		0.470	
Hospital Discharge	8.490	3.057	5.433	0.000
Ring-fenced grant and spend	174.078	89.134	69.997	14.948

4.7 Table 4 provides a breakdown of the additional spending between the main service areas including the amounts funded from specific grants. 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 4 – Total spending by service area (including ringfenced spending)

	Total	2021-22		2019-20 & 2020-21	
		Spend	of which specific grant	Spend	of which specific grant
	£m	£m		£m	
Adult Social Care	110.086	46.974	45.158	63.112	48.031
Children's Services	12.910	8.253	2.403	4.657	4.214
Highways & Transport	-4.167	-4.167		0.000	0.470
Public Health	57.704	41.604	41.573	16.100	17.281
Environment & Regulatory	8.937	3.653		5.284	
IT & Remote Working	3.438	0.404		3.034	
Delayed Savings	6.229	2.100		4.129	
Other	9.603	7.743		1.860	
	204.741	106.565	89.134	98.176	69.997

5. KCC 2021-22 Provisional Outturn

5.1 The provisional outturn report was reported to Cabinet on 23rd June. The report included a section outlining the spending from the Covid-19 reserve. The reserve only covers spending from the Covid-19 un-ringfenced emergency grant. Spending from ring-fenced departmental grants is netted off by grant income. The outturn was finalised after the May 2022 DLUHC monitoring return and as a result includes some slight differences due to timing and treatment of year-end creditors and debtors. The DLUHC monitoring return does not include any monitoring on expenditure and income losses rephased into 2022-23.

5.2 The Covid-19 reserve prior to drawdown amounted to £71.718m. The final outturn identified additional spending and unrealised savings of £32.790m less underspends due to the pandemic of £18.960m leaving nett additional spending of £13.830m. A little less than the DLUHC monitoring due to timing differences and year-end adjustments that could not be reflected in the DLUHC return (largely the provisions for repayment of specific grants). The final outturn showed loss of income of £4.160m, again less than the DLUHC returns for similar reasons. The overall impact of additional spending, unrealised savings, underspends and loss of income resulted in a net drawdown from the Covid-19 reserve of £17.990m, leaving a balance of £53.728m to roll into 2022-23 (very close to the amount identified in DLUHC monitoring return).

5.3 Commitments identified against the reserve in 2022-23 amount to £38.782m for ongoing programmes under the Helping Hands scheme, Children's Reconnect programme, Contain Outbreak Management, market sustainability and other grant roll forwards. This leaves a balance of just under £15m for any residual issues associated with the pandemic.

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Details of Grant Allocations (allocations since last report highlighted yellow, repayments highlighted in green)

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 and 2021-22 accounts based on the county Council's share of business rates from business rates estimates returns (NNDR1). The grant includes a reconciliation of 2020-21 based on the final business rates returns (NNDR3).

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% was paid in May with a second instalment based on outturn data paid in March.

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 was 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 and first quarter of 2021-22.

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). In the 2020-21 accounts £0.724m was treated as a receipt in advance and rolled forward into 2021-22 leaving a net £18.154m accounted for in 2020-21. The receipt in advance from tranche 1 has been repaid.

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 and £0.009m transfer leaves a total of £34.798 m in 2020-21 as per table 1. £0.092m from tranche 2 was unspent and is to be repaid.

Tranche 3 £0.2025bn – March 2021 (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). £0.198m from tranche 3 is unspent and is to be repaid.

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).

Omicron Support Fund £0.06bn – January 2022

New grant announcement following the further pressures arising from the Omicron variant. The purpose of this fund is to support the adult social care sector with measures already covered by the infection prevention and control (IPC) allocation of the Infection Control and Testing Fund (round 3) to reduce the rate of COVID-19 transmission within and between care settings.

Additionally, this funding may also be used to increase ventilation in care homes, and to enhance local authorities' current direct payment offer particularly when the only way a person's care needs can be met is by a friend or family member, or to enhance support for carers.

It may also be used to pay for temporary staffing to cover increased staff absence caused by COVID-19 and maintain staffing levels and workforce capacity.

KCC's allocation is £1.541m (2.57% of the total)

This together with tranches 3, 4 and 5 of Infection Control Grant (and repayment of unspent amounts from tranches 2 and 3) results in a total of £19.095m 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. £0.071k of tranche 1 is unspent and is to be repaid

Tranche 2 £0.139bn – March 2021 (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). £0.292m of tranche 2 is unspent and is to be repaid.

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 (less repayments of tranches 1 and 2) make up the £11.705m 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. £0.103m is unspent and is to be repaid

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 (less the amount to be repaid from Workforce Capacity fund) amount to £11.777m 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 was treated as a receipt in advance in 2020-21 and rolled forward into 2021-22 leaving a net £1.309m accounted for in 2020-21 in table 1. £2.292m remains unspent at the end of 2021-22 reducing the spend for the year to £2.711m in 2021-22 and £2.292m rolled forward into 2022-23.

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 was treated as a receipt in advance in 2020-21 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).

Local Support Grant (Winter Scheme extension)

Tranche 3 £0.040bn – February 2021 (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).

Tranche 4 £0.160bn – June 2021

The scheme has been extended to reflect the rollout of the roadmap to recovery from 21st June 2021 to 30th September

KCC's allocation is £4.239m (2.65% of the total)

Tranches 2, 3 and 4 and the receipt in advance from tranche 1 leaves a total of £6.899m 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. £0.379m 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 was 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 was 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 (paid in April 2021)

A further £400 million was 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 less £0.524m rollover into 2022-23 makes up the total of £39.157m 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 to 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 October 2021. The estimated income for 2021-22 is £5.617m (including a debtor of £0.637m for income not yet received) less £0.893m reversal of 2020-21 debtor (of which only £0.335m was received) leaving a net £5.060m 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 of autumn term

KCC's share £1.057m

Tranche 3 £0.0271bn – February 2021

Extension to March 2021 for first half of spring term

KCC's Share £1.928m

Tranche 4 £0.010bn – March 2021 Additional top-up for second half of Spring term

KCC did not receive any funding from tranche 4

KCC's total for tranches 1 to 3 in 2020-21 was £4.528m. 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 5 £0.020bn – April 2021

Extension for first half of summer term.

KCC's share £0.869m

Tranche 6 £0.007bn – June 2021

Extension for second half of summer term to 25th June

KCC's share £0.852m

Tranche 7 £0.010bn – August 2021

Extension for second half of summer term to end of term

KCC's share £0.490m

This takes the total for 2021-22 to £2.403m including the £0.314m receipt in advance rolled forward from 2020-21 less £0.121m unspent and is to be repaid in 2022-23

13. Covid Bus Services Operators Grant

An 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 was £0.723m.

A separate restart grant to support bus operators has been allocated in tranches:

Tranche 1 - £0.620m

Tranche 2 - £0.718m

Tranche 3 - £0.856m

Tranche 4 - £0.856m

At the end of 2020-21 debtors were set up for tranche 5 (£0.915m) and tranche 6 (£0.227m). These together with BSOG and earlier tranches of the restart grant took the total for 2020-21 to £4.916m as shown in table 1.

The tranches for 2021-22 include

Tranche 5 - £0.915m} offset by

Tranche 6 - £0.227m} debtor reversal

Tranche 7 - £0.568m

Tranche 8 - £0.753m

Tranches 7 and 8 amount to £1.321m for 2022-23 as shown in table 1

A further tranche of £1.540m is expected for 2022-23 to extend support up to October 2022.

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). Of this £1.903m has been rolled into 2022-23, leaving £9.162m spending in 2021-22.

The household support fund has been extended into 2022-23 in response to increased inflation and cost of living crisis, however, this is unrelated to Covid-19.

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) for the period March 2021 to June 2021 totalling £1.365m

£15.6m per month July 2021 to September 2021

KCC's share is £0.412m per month (2.65% of the total) for the period July to September totalling £1.237m

£8.1m per month October 2021 to February 2022

KCC's share is £0.214m per month (2.65% of the total) for the period October to February totalling £1.070m

A total of £3.672m for this grant is shown in 2021-22 under the "other" line in table 1.

We are anticipating that the equivalent of two month's of the third tranche (£0.428m) will be unspent and have to be repaid in 2022-23. This has been reflected in table 1.