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# COVID-19: Local Government Funding: Consolidated Briefing

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**FINANCE WITH VISION**

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## 1. Introduction

- 1.1. In response to the COVID-19 outbreak, the government has been making a series of ongoing policy announcements, initially at Budget 2020, and then over the last two weeks. This has meant that local authorities have had to respond quickly to new announcements and understand the financial implications arising.
- 1.2. A complex picture of initiatives has emerged, some of which have been supported by additional funding; some that will lead to reductions in both council tax and business rates receipts; some that require administration by local authorities of grants to businesses; and then a range of measures with wider financial implications for local authorities.
- 1.3. To support local authorities, the government has maintained a list of measures which it updates on a general COVID-19 guidance page, which is available [here](#).
- 1.4. LG Futures has been providing daily briefing notes since 19 March and these are available [here](#). This briefing is a consolidated note covering all the main policy announcements from Budget 2020 and over the last two weeks.
- 1.5. Section 2 of this note shows a summary table of the main announcements to date, with separate sections then covering each announcement in greater detail. For each main announcement, Section 2 shows:
  - Measure announced
  - Background description
  - How funding shares/compensation will be determined
  - When the funding will be received
  - Practical questions and answers arising to date
  - Outstanding issues
  - Next steps
- 1.6. We have also included a copy of the Summary Appendix 2 from our daily briefing notes. This is a separate Excel workbook which shows, where possible to estimate, the actual/forecast individual authority implications of the announcements set out in Section 2.

## 2. Policy Announcements

### Summary Table

2.1 The table below shows a summary of the announcements to date and their implications for local government funding. Each announcement is then covered in greater detail below.

**Table 1 – Summary of the Policy Announcements to date (as at 6 April 2020)**

	When announced	Individual authority allocations known	Payment received	Additional funding or to offset reductions to other sources
£1.6bn Additional local government funding	19/03	Yes 19/03 Appendix 2d	27/03	Additional
£0.5bn Hardship Fund	11/03	Yes 24/03 Appendix 2e	Pending	Additional
£3.2m homelessness funding	17/03	Yes 17/03 Appendix 2a (estimate)	Pending	Additional
100% Business Rates Relief 2020/21	Various dates	No – New NNDR1 09/04 deadline Appendix 2 (estimate)	S31 grant during 2020/21	Offset
Small Business Grant Funding and Retail, Hospitality and Leisure Grant Fund	11/03 and 17/03	Yes Appendix 2c and 2g (estimate) 2h (actual)	1/4	To fund grant payments
School funding	18/3	Not at this stage	Once approach to be taken known, might become clearer	Additional
Coronavirus Job Retention Scheme	20/3	Will be based on claim made	After end of April	Offset
Support for workers	20/3	None to the local authority	Not until after end June	Deferment

## Measure announced: £1.6bn of funding for Local Government

At Budget 2020, the Chancellor announced a £5bn COVID-19 fund. On 19 March, from within this national fund, the government announced that it was providing £2.9bn to help patients who no longer need urgent hospital treatment to return home, making at least 15,000 beds available during the coronavirus outbreak.

This was followed by a letter, which was sent to Leaders, Chief Executives and Chief Finance Officers of Local Authorities in England on 20 March. The letter indicated that the funding is intended to help local authorities address the pressures they are facing in response to the Covid-19 pandemic, across all the services delivered.

### Guidance provided

The government announcement of the 19 March is available [here](#). In the letter issued to local authorities, MHCLG indicated the funding was intended to enable local authorities to:

- Meet the increased demand for adult social care and enable councils to provide additional support to social care providers and the government expects a local authority to place an appropriate portion of the funding into a pooled budget with the local CCG;
- Meet the cost of extra demand and higher business-as-usual costs of providing children's social care;
- Provide additional support for the homeless and rough sleepers;
- Support those at higher risk of severe illness from COVID-19; and
- Meet pressures across other services.

The guidance notes suggested an authority should provide an initial estimate of how they will allocate this additional funding.

### Funding determination

The £1.6bn allocation for local government is split into £210m for general support and £1,390m for Social Care. The £210m is allocated by 2013/14 Settlement Funding Assessment (SFA) and the £1,390m is allocated using the current Relative Needs Formula for Adult Social Care. Appendix 2d shows the individual authority allocations of this funding. **See Appendix 2d.**

### When is the funding being received?

The funding should have received by each authority on Friday 27 March.

<b>Practical questions and answers arising to date</b>
<p><u><i>Is this funding intended to cover all the additional costs to the authority of COVID-19, outside of those otherwise given specific funding?</i></u></p> <p>The government letter of 19 March stated that they expected this grant would cover all costs incurred in the first phase of the response to COVID-19, but they will keep this under review.</p> <p><u><i>How should authorities report on their high-level projections for how they intend to use this funding?</i></u></p> <p>The government letter of the 19 March stated that it will send local authorities further information on this process in due course.</p>
<b>Outstanding issues</b>
<p><b>Accounting for the funding</b> - The funding that has been received to date will necessarily cover actions taken both to date in 2019/20 and those to come in 2020/21. Authorities will need to decide or wait to be advised how to account for the funding. It could be placed in an earmarked reserve in 2019/20 or accrued for 2020/21.</p> <p><b>Using the Funding</b> - Will the government require confirmation of how this funding has been used; will it be supplemented where authorities spend more than their allocation or will authorities who do not use all of their allocation be required to return some of their funding?</p>
<b>Next steps</b>
<p>Authorities will need to report on their high-level projection of how they will use this funding, although the government guidance on how and what to report is still awaited.</p> <p>Authorities will then need monitor the actual use of the funding, including the costs incurred, to determine if enough funding has been provided and/or how much additional funding could be required.</p>

## Measure announced: £500m Hardship Fund

At Budget 2020, the government announced that they would establish a £500m hardship fund to support “economically vulnerable people and households” affected by COVID-19 and this would be administered by local authorities. The government expected that most of this funding to be used to provide more council tax relief, either through existing Local Council Tax Support schemes, or through complementary reliefs.

### Guidance provided

On 24 March, MHCLG published ‘COVID-19 hardship fund 2020-21 – Local Authority Guidance’, which provided further guidance on how to use the funding, along with allocations for billing authorities. This is available [here](#). The guidance outlines the main principles for this fund, and these are:

- That, primarily, this funding will be used to reduce the council tax liability for individuals in an area; and
- Councils may also wish to use some funding to deliver increased financial assistance through other support mechanisms.

The government indicates that it should be used to reduce the liability of those receiving working age council tax support by £150 in 2020/21. Where a local council taxpayer had an existing liability of £150 or less, this would reduce the council tax liability to nil. Where liability is already nil, there would not need to be any change. Billing authorities should establish their own local approach to using any remaining grant to assist those in need. The guidance identifies what this other support could be, but further suggests how the funding is used is not restricted to the suggestions made in the guidance.

Local authorities have been advised to maintain a record of grant expenditure under this scheme, both through the council tax system and their own local support mechanisms.

### Funding determination

The allocations made are to billing authorities only and are based on shares of working age caseload data for council tax support at quarter 3 of 2019/20. Appendix 2e shows the individual authority allocations of this funding. **See Appendix 2e.**

### When is the funding being received

The government indicated in the guidance on 24 March that this funding will be paid as a section 31 grant as soon as possible.

**Practical questions and answers arising to date**

*Is the funding ringfenced in any way and will there be any clawback of unused funding?*

The guidance does not indicate if this money will be ringfenced or not; or if there could be clawback arrangements, where the funding is not spent or not spent in line with the purposes outlined in the guidance. The regulations pertaining to the payment of this section 31 grant will hopefully clarify this.

*If the grant is paid to billing authorities and the extended reductions through council tax support reduces income in the Collection Fund, will this create a deficit in the Collection Fund including to be to be passed on major preceptors?*

It is expected that the Hardship Scheme will be used to reduce council tax liability using discretionary powers under S13A(1)(C) of the Local Government Finance Act 1992. Therefore, the amount of reduction to council tax liability awarded under S13A(1)(C) will have to be funded by the billing authority General Fund, which will require a transfer from the General Fund to the Collection Fund, so as not to impact on the Collection Fund. It is this transfer that will be funded by the allocation made to billing authorities.

*There could be new burdens on billing authorities for re-issuing council tax bills and adjusting payments. Is the cost of this covered in the allocation made?*

The government indicated in the guidance of the 24 March that it will fund billing authorities in full for the new burdens cost for delivering the support.

**Outstanding issues**

There may be additional new claimants of council tax support in the coming weeks and months and it would be assumed that these claimants would also be eligible for the up to £150 reduction. When deciding how much the additional council tax support will leave the authority to fund other local support, authorities should be aware of this potential additional future liability; otherwise, they may overspend locally.

The government has not indicated if further funding will be made available for this measure where actual claimant numbers increase.

While funding allocations provide support for the £150 reduction to existing (and potential future) claimants in meeting their council tax payment, it does not provide funding for councils for the costs of actual claimant numbers increasing in 2020/21 as a result of COVID-19. This will be of particular concern to major preceptors, who will be funding a large proportion of the extra cost of council tax support through their share of the additional deficit created in 2020/21 and distributed in 2021/22.



### Next steps

Authorities will wish to project forward the potential costs of the £150 reduction and monitor the actual reductions awarded throughout 2020/21.

There will also be a need to project and monitor the increased cost of the local council tax support; in particular, compared to the original budgeted level of taxbase, to identify the overall cost of lost council tax from COVID-19.

There will be a need to monitor use of the funding, as it has been used, so that it is clear what payment needs to be made into the Collection Fund and what is to remain in the General Fund of the billing authority.

<b>Measure announced: £3.2m homelessness funding</b>
<p>On 17 March, the government announced £3.2m of emergency funding to help rough sleepers to self-isolate. The government indicated that this was initial emergency response funding.</p>
<b>Guidance provided</b>
<p>The government announcement of 17 March is available <a href="#">here</a>. The announcement stated that the initial emergency funding represents a first step to help local authorities and frontline services put emergency measures in place and that the government would continue to work closely with local authorities to keep the measure under review.</p> <p>The announcement also referenced Public Health England (PHE), who have released guidance for providers of hostels and day centres on how to handle suspected cases of coronavirus to assist staff and visitors in dealing with the impact of the virus.</p>
<b>Funding determination</b>
<p>Local authorities will claim costs incurred from government. Each local authority will be notified as to the provisional maximum amount it is entitled to claim back, which is calculated based on the number of rough sleepers reported in the Autumn 2019 snapshot. <b><u>See Appendix 2a.</u></b></p>
<b>When is the funding being received</b>
<p>No date for when this funding will be provided has yet been announced.</p>
<b>Practical questions and answers arising to date</b>
<p><u><i>Is this funding intended to cover costs incurred by both County and District Councils in meeting the actions outlined by PHE?</i></u></p> <p>The government has not indicated who this funding will be provided to, although it is assumed that this is for authorities who incur the related costs related to actions that need to be taken.</p>

<b>Outstanding issues</b>
<p>The government has not outlined a process for reclaiming from this funding pot or when it will take place.</p> <p>Funding to meet the request to house all rough sleepers and those in hostels and night shelters by the weekend of 28-29 March has not yet been identified, although the government letter referenced the distribution to local government of £1.6bn of funding to cover initial responses to COVID-19 (see above). However, in the letter to local authorities, the government indicated that it wanted local authorities' support to allow the government to develop an understanding of what additional funding is likely to be required and that it would be working with local authorities to develop an ongoing assessment of costs.</p> <p>Will additional costs beyond the allocations made be funded?</p>
<b>Next steps</b>
<p>Monitor expenditure</p>

## Measure announced: 100% Business Rates Relief 2020/21

At Budget 2020, and in subsequent announcements throughout March, the government has gradually increased the Retail and Rural Businesses discounts already available to move these to discounts of 100%, with the relief applying to occupied retail, leisure and hospitality properties in the year 2020/21; with no rateable value or State Aid limit on the relief. This has also been further expanded to include a nursery (childcare) discount 2020/21. All the occupied properties covered will pay no business rates in 2020/21.

Prior to COVID-19 and announcements of discounts of 100% for the range of businesses outlined above, the government had announced an expansion in the discount available, including continuing with the Rural Rate Relief and extending the previous retail discount from 33% to 50%; extending that discount to cinemas and music venues; extending the duration of the local newspapers' office space discount, and introducing additional discount for pubs. This was all confirmed in the Business Rates Information Letter (BRIL) 1/2020, which is available [here](#).

### Guidance provided

The government provided comprehensive guidance for the Expanded Retail Discount 2020/21 on 25 March and this is available [here](#). The government also published guidance on the nurseries (childcare) discount on 20 March and this is available [here](#).

The 100% discount resulting from the expanded retail discount is available to all the following categories of business, regardless of rateable value:

- Shops, restaurants, cafes, drinking establishments, cinemas and live music venues, including for the sale of goods, the provision of specified services and the sale of food and/or drink to visiting members of the public;
- Those for assembly and leisure, including the provision of sport, leisure and facilities to visiting members of the public, and those for the assembly of visiting members of the public; and
- Hotels, guest & boarding premises and self-catering accommodation, where the non-domestic part is being used for the provision of living accommodation.

The full range of properties covered under these definitions are outlined in the guidance at paragraphs 10 to 13. This relief for nurseries (childcare) will apply to hereditaments occupied by providers on Ofsted's Early Years Register and wholly or mainly used for the provision of the Early Years Foundation Stage and which are subject to business rates in the year 2020/21. There will be no rateable value limit on this relief.

### Guidance provided (continued)

The total amount of government-funded relief available for all the above for 2020/21 under this scheme is 100% of the bill, after mandatory reliefs and other discretionary reliefs funded by section 31 grants have been applied, excluding those where local authorities have used their wider discretionary relief powers, introduced by the Localism Act, which are not funded by section 31 grants. There will be no rateable value limit on the relief.

The government is not changing the legislation relating to the reliefs available to properties. Instead, the government will, in line with the eligibility criteria set out in this guidance, reimburse local authorities that use their discretionary relief powers under section 47 of the Local Government Finance Act 1988 (as amended), to grant relief. It will be for individual local billing authorities to adopt a local scheme and determine in each individual case when, having regard to this guidance, to grant relief under section 47.

The government has indicated that, after discussion with the European Commission, the government does not consider the Expanded Retail Discount 2020/21 to be State Aid. The government has also decided that the Nursery Discount 2020/21 is not State Aid. The guidance on applying these reliefs has been updated in Business Rates Information Letter 6/2020 and this is available [here](#).

### Funding determination

LG Futures estimates that the total cost of the relief will be between £9.8bn and £15.9bn, based on the estimated national gross cost of £11.9bn to £19.3bn, and the national net to gross rates ratio of 83%. The existing estimated national cost of the Retail Discount Relief reported at NNDR1 is £495m.

Central government will fully reimburse local authorities for the local share of the discretionary relief (using a grant under section 31 of the Local Government Act 2003). Billing authorities will be asked to provide a further and separate estimate of their likely total cost for providing the 100% extended relief in 2020/21. Authorities have been asked to complete the data collection by 9 April on DELTA. **See Appendix 2.**

**When is the funding being received**

The initial payment will be made after the supplementary form is submitted. Local authorities will also be asked to provide outturn data on the actual total cost for providing the relief, as per the usual process, via the NNDR3 forms for 2020/21. Any required reconciliations will then be conducted.

Local authorities will already be receiving s31 grant income for the retail discount relief estimated in their NNDR1. The guidance required authorities to complete the form using the existing (at the time) discount of 33%.

However, authorities were also allowed to complete the form using 50% relief, as some system providers had updated revenues systems for the change, which was announced before the NNDR1 return was due, but not reflected in a BRIL until after the deadline. As in previous years, where additional reliefs were introduced after the NNDR1 was submitted, it is expected that the government will pay billing authorities s31 grants on account based on the full Collection Fund impact, to ensure that they can make their central share and preceptor instalments as per the NNDR1.

The reconciliation at NNDR3 will correct this amount to the relevant local share. The cost of the additional relief will come through the Collection Fund. Therefore, the additional section 31 grants they will receive will initially cause a surplus in 2020/21, as they compensate authorities for the lost business rates income, which will only ultimately be reflected in the distribution of a Collection Fund deficit in 2021/22 (or later, if not forecast in January 2021's NNDR1 Part 4). It is important that local authorities recognise this in their financial planning for 2020/21 and beyond.

**Practical questions and answers arising to date**

*Will there be a need to re-bill or hold runs of direct debits?*

Authorities will need to make their own judgement based on how they are managing the application of the additional discounts locally.

<b>Outstanding issues</b>
The date when the government will pay s31 grant payments and how will they work. It is assumed it will work as with other s31 grants.
<b>Next steps</b>
Continue to monitor consequences and complete the data collection to ensure section 31 grant is received.

## Measure announced: Small Business Grant Funding and Retail, Hospitality and Leisure Grant Fund

At Budget 2020, the government announced that grants of £3,000 would be made available for businesses claiming SBRR or Rural Rate Relief – the Small Business Grant Fund. As the full scale of the impact of COVID-19 on businesses became apparent, the government expanded the value of the grant to £10,000.

The government has also introduced a further Retail, Hospitality and Leisure Grant Fund, which could award grants of either £10,000 for properties with a rateable value of up to £15,000; or £25,000 for properties with a rateable value of over £15,000 and less than £51,000. Only one grant from the schemes outlined can be awarded to any one hereditament.

Local authorities will be responsible for delivering the funding to eligible businesses.

The government has indicated that it is committed to meeting the delivery costs to local authorities for this scheme and will meet associated New Burdens costs. A New Burdens Assessment will be completed, and funding then provided to authorities.

### Guidance provided

The government has provided detailed guidance for the operation of these grant schemes and it is available [here](#). Full details of eligibility and exclusions are provided in the guidance.

BEIS will undertake a regular data collection exercise and local authorities are advised to retain the necessary data on the awards provided. The government has indicated that further guidance will be forthcoming to support this process. The data will include:

- Numbers of businesses eligible per scheme;
- Number of payments being processed and value per scheme; and
- Number of actual payments and value per scheme.

The guidance also sets out the minimum data fields local authorities should collect in order to complete effective post-award assurance on grant payments.

The guidance references State Aid limits of €200,000 for SBGF (unless the De Minimis is reached) and €800,000 for RHLGF and where the SBGF De Minimis is exceeded. The guidance provides more detail.



<b>Funding determination</b>
<p>The government has made an estimate of how much grant will be awarded under the schemes that have been announced and this totals £12.3bn across England. LG Futures has made estimates of the total level of grants that could be awarded under these schemes and this is a spread between £11.2bn and £23.0bn.</p> <p>The government has not yet indicated when or how it will be making an assessment of the new burdens funding required for those local authorities administering these grants.</p>
<b>When is the funding being received</b>
<p>Funding was paid on 1 April. It is our understanding that, to ensure there are no cashflow issues for local government, a weekly data capture exercise will be undertaken, via Delta, to ensure that no local authority gets into a position where the level of payments being made are in excess of the level of grant received.</p> <p><b><u>See Appendix 2c and 2g for an estimate of potential grants.</u></b></p>
<b>Practical questions and answers arising to date</b>
<p><u><i>How many grants can be awarded to a single hereditament?</i></u></p> <p>The guidance for local authorities suggests that only one grant can be awarded.</p> <p><u><i>When will the new Burdens funding be provided?</i></u></p> <p>The government has not yet indicated how they will calculate this or when they will pay it.</p> <p><u><i>What happens if the state aid limits advised by the government is rejected by the European Union?</i></u></p> <p>This seems unlikely in respect of this programme, as authorities have been instructed to proceed using the €800,000 limit from the EU’s temporary framework for State Aid.</p>
<b>Outstanding issues</b>
<p>The government keeps amending and re-issuing its guidance. Final guidance needs to be published with clarity that represents final guidance for local authorities to confidently finalise their own local approach.</p>

**Next steps**

Local authorities providing these grants will need to keep track of grants they have provided and reconcile these amounts to the level of grant provided, although they may wish to use the system that BEIS will use and linked to Delta.

## School funding

Schools to close for all but vulnerable children (with a social worker/EHCP) and children of key workers. For these children, schools are to remain open through the Easter holidays. Free School Meals arrangements to be made nationally or locally.

### Guidance provided

The government has provided detailed guidance on the schools temporary closure and this is available [here](#). The guidance as at 27 March includes a section on funding, in which it states the following:

- Schools will continue to receive their budgets for the coming year, as usual, regardless of any periods of partial or complete closure. That will ensure that they are able to continue to pay their staff, and meet their other regular financial commitments.
- Schools may face additional costs as a result of COVID-19. The government will put in place a new process that allows them to reimburse schools for exceptional costs that they face as a result. For example, where schools are already issuing vouchers to pupils who are eligible for free school meals, but cannot attend school and additional costs for schools that remain open through the Easter holidays.
- The government will discuss how best to deliver this funding with stakeholders over the next few days and will publish details of the scheme shortly.

The statutory guidance for local authorities on producing/amending school financing schemes has been updated to take into account the impact of coronavirus, although the DfE indicates that changes have been kept to a minimum. Full details are available [here](#). Measures include:

- The DfE delaying the publication of the financial transparency of LA maintained schools and academy trusts' consultation response due to the COVID-19 pandemic, so there are no changes in the scheme relating to this. They will provide more information on the publication in due course.
- There will be no changes relating to financing and operating leases (IFRS16). Those that were due to come into effect on 1 April 2020 have been delayed for a year.
- The DfE adds that it would expect local authorities to exercise discretion on how and when they implement some of the usual requirements within their scheme for financing schools. e.g. deadlines for the completion of the schools' financial value standard (SFVS) for the financial year 2019/20, and the submission by schools of budgets for the 2020/21 financial year. In making such decisions, local authorities should take full account of the current pressures on themselves and their schools.

<b>Funding determination</b>
The government has not yet indicated how it will determine extra funding that is required or how it will allocate it.
<b>When is the funding being received</b>
This has not yet been made clear.
<b>Practical questions and answers arising to date</b>
None arising to date.
<b>Outstanding issues</b>
When further guidance on funding will be provided. How the additional funding will be calculated. When additional funding will be made available.
<b>Next steps</b>
Advise schools of changes being made.

## Coronavirus Job Retention Scheme

The Coronavirus Job Retention Scheme is a temporary scheme open to all UK employers for at least three months, starting from 1 March 2020. It is designed to support employers whose operations have been severely affected by COVID-19.

Employers can claim for 80% of furloughed employees' (employees on a leave of absence) usual monthly wage costs, up to £2,500 a month, plus the associated Employer National Insurance contributions and minimum automatic enrolment employer pension contributions on that wage. Employers can use this scheme anytime during this period.

The scheme is open to all UK employers that had created and started a PAYE payroll scheme on 28 February 2020.

### Guidance provided

The government has provided detailed guidance for the operation of the scheme and it is available [here](#). Although public authorities are listed as able to apply, the government has indicated that it expects that the scheme will not be used by many public sector organisations.

Additionally, the guidance outlines that where employers receive public funding for staff costs, and that funding is continuing, the government expect employers to use that money to continue to pay staff in the usual fashion – and correspondingly not furlough them. This also applies to non-public sector employers who receive public funding for staff costs.

The government advice further adds that organisations who are receiving public funding specifically to provide services necessary to respond to COVID-19 are not expected to furlough staff. In a small number of cases; for example, where organisations are not primarily funded by the government and whose staff cannot be redeployed to assist with the coronavirus response, the scheme may be appropriate for some staff of public authorities.

### Funding determination

Employers can claim for 80% of furloughed employees' (employees on a leave of absence) usual monthly wage costs, up to £2,500 a month. The grant will also cover Employer NI contributions and minimum auto-enrolment employer pension contributions. Employees with more than one job can be furloughed by each employer, and the limit applies to each.

### When is the funding being received

The online service that organisations use to claim is not yet available. The government has indicated that it expects it to be available by the end of April 2020. It does not indicate when funding will be provided.

<p><b>Practical questions and answers arising to date</b></p>
<p><u>Would any local authority workers qualify, and, if so, which, given the government view on public sector workers?</u></p> <p>The guidance states <i>‘Where employers receive public funding for staff costs, and that funding is continuing, we expect employers to use that money to continue to pay staff in the usual fashion – and correspondingly not furlough them.’</i> Clearly what will be critical is how local authorities interpret <i>‘public funding’</i>.</p> <p>It might potentially be taken to mean grants from central government or much more broadly than just grant income, but also income from council tax and business rates. The guidance does not explain the term <i>‘public funding’</i> itself, so a local authority will need to reach its own interpretation.</p> <p><u>How broadly will ‘public funding’ be considered? For example, contract payments.</u></p> <p>Local authorities will wish to be aware of whether contractors who are no longer able to deliver agreed works have applied to have their staff placed on the scheme and if this has implications for contractual payments.</p>
<p><b>Outstanding issues</b></p>
<p>How should local authorities proceed, therefore? Some points that might be worth considering are:</p> <ul style="list-style-type: none"> <li>▪ Can staff be redeployed; in particular, to support the response to COVID-19?</li> <li>▪ Is a local authority aware of conditions that <i>‘To be eligible for the subsidy, when on furlough, an employee can not undertake work for or on behalf of the organisation. This includes providing services or generating revenue.’</i>?</li> <li>▪ Are there specific services or establishments where a local authority can demonstrate that the <i>‘public funding’</i> condition does not apply?</li> <li>▪ What are other local authorities providing similar services doing? Are they applying or not? What neighbouring councils are planning to do may be the first check to make.</li> <li>▪ If the reason for applying to use the Scheme is the reduction in the levels of fees and charges, then to what extent does the reduction in income impact upon the overall net cost of the service? For example, are there establishments that are wholly dependent on their fee income to reduce the costs of the service to net nil?</li> </ul>
<p><b>Next steps</b></p>
<p>Review the options available for the council, including investigating the limitations, seeking legal opinion and reviewing what other local authorities are doing.</p>

<b>Support for workers</b>
The government has announced a workers' support package and support for the self-employed.
<b>Guidance provided</b>
<p>The government announced a workers' support package means on 20 March and details are available <a href="#">here</a>. The main announcements include:</p> <ul style="list-style-type: none"> <li>• The Coronavirus Job Retention Scheme (see above).</li> <li>• VAT payments due between now and the end of June will be deferred. No VAT registered business will have to make a VAT payment normally due with their VAT return to HMRC in that period. Refunds of VAT, for businesses who usually receive net payments of VAT from HMRC, will continue. Income tax payments due in July 2020 under the Self-Assessment system will be deferred to January 2021, benefitting up to 5.7m self-employed businesses.</li> <li>• Additionally, the Coronavirus Business Interruption Loan Scheme, launched at Budget, will now be interest free for twelve months.</li> <li>• The standard rate in Universal Credit and Tax Credits will be increased by £20 a week for one year from 6 April, meaning claimants will be up to £1,040 better off.</li> <li>• Nearly £1bn of additional support for renters, through increases in Housing Benefit and Universal Credit. From April, Local Housing Allowance rates will pay for at least 30% of market rents in each area.</li> </ul> <p>The government announced support measures for the self-employed and this is available <a href="#">here</a>. Under the scheme, the government will pay self-employed people, who have been adversely affected by the Coronavirus, a taxable grant worth 80% of their average monthly profits over the last three years, up to £2,500 a month. This scheme will be open for at least three months and the government has indicated they will extend it for longer if necessary. Self-employed workers are not required to stop trading or to show that they have experienced hardship as a result of the virus.</p>
<b>Funding determination</b>
See Coronavirus Job Retention Scheme
<b>When is the funding being received</b>
See Coronavirus Job Retention Scheme
<b>Practical questions and answers arising to date</b>

See Coronavirus Job Retention Scheme
<b>Outstanding issues</b>
See Coronavirus Job Retention Scheme
<b>Next steps</b>
See Coronavirus Job Retention Scheme