

Briefing Note: Bury Council 2021/22 Covid Grants/Funding Support

Background

1. This briefing note largely focusses on financial year 2021/22¹ and provides a summary of the Covid funding support Bury Council has received.
 - 1.1. Since the beginning of the Pandemic the Government has announced multiple funding streams in recognition of the ongoing Covid related pressures on councils. **Appendix A** summarises the £115.440m funding received in financial year 2020/21. A number of these allocations now require reconciliations and any unspent monies to be returned. These reconciliations are ongoing at this time
 - 1.2. The position on grants and Covid support has continually changed and may continue to do so for the remainder of the current financial year.
 - 1.3. The rest of this briefing note provides a summary of the 2021/22 covid funding and support received by Bury Council which can be broadly categorised into three areas,
 - I. Support for expenditure as a result of Covid-19
 - II. Support for income loss as a result of Covid-19
 - III. Covid-19 Support for Business

Support for Expenditure as a result of Covid-19

2. Local Authorities have received additional support for covid related expenditure enabling councils to fulfil a critical role during the pandemic including containing outbreaks, and testing and protecting the population from Covid-19.
 - 2.1. Bury Councils **2021/22** support for Covid related expenditure is currently c.£12m. Appendix B provides a list of the current covid grant support and an explanation of what each grant is providing support for

Support for Income Loss as a result of Covid-19

3. The council submits a monthly return (Titled 'COVID-19 local authority financial management information) to the Ministry of Housing Communities and Local Government (MHCLG) detailing Income loss as a result of Covid-19. The income losses fall into two areas:
 - i. Council Tax, Business Rates, and non-collection fund items
 - ii. Revenue Budget income losses
 - 3.1. Table 1 below summarises the current estimated losses (or gains) for Council Tax, Business Rates, and non-collection fund items as a result of Covid 19. After Business rate losses, council tax gains and non-Collection fund losses are factored in there is a net income loss of £0.764m. The figures in table 1 below are compared against the 2021/22 budgets which were adjusted for the impact of Covid based upon best estimates at the time.

Table 1

| Description | 2021/22 Loss/ (Gain) (£000) |
|--------------------|--|
| Business Rates | 773 |

¹ The section on support for business summarises the full support received across 2020/21 and 2021/22

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| Council Tax | (2,310) |
| Total Collection Fund | (1,537) |
| Non-Collection Fund | 2,301 |
| Total Income Losses (Gains) | 764 |

3.2. Table 2 Summarises the forecast £11.534m Revenue Budget income losses relative to pre covid budget forecasts

Table 2

| Income source | 2021/22 Loss (£000) |
|--|---------------------|
| Highways and Transport Sales, Fees & Charges losses | 617 |
| Cultural & Related Sales, Fees & Charges losses | 1,134 |
| Other | 777 |
| Sales, Fees & Charges (SFC) income losses total | 2,528, |
| Commercial Income losses (dividends) | 6,135 |
| Commercial Income losses total | 6,135 |
| Non collection fund losses sub total | 8,663 |

Covid-19 Support for Business

4. Over the period of the pandemic Local authorities have received and distributed funding to support small and medium sized businesses in England. To date £79.946m has been received by Bury Council to support businesses. Table 1 below summarises the amount of money that Bury council has received for the duration of the Pandemic (i.e., 2020/21 & 2021/22)

Table 3

| Business Support Grants | Total Allocation (£000) | |
|---|--|--------|
| Restart Grant Scheme | 9,282 | |
| Small Business Grant Fund (SBGF) & Retail, Hospitality and Leisure Business Grants Fund (RHLCF) | 42,920 | |
| Pubs Grant | 87 | |
| Local Authority Discretionary Grant Fund | 1,957 | |
| Local Restrictions Support Grant ² | Initial Allocations | 10,762 |
| | Additional Restrictions Grant ³ | 1,383 |
| Closed Business Lockdown | 13,555 | |
| Total | 79,946 | |

² The LRSF is made up of multiple grants and eligibility is subject to government criteria

³ The ARG is available for discretionary payments to business including those not eligible for the LRSF.

Appendix A – Analysis of Grants Received in 2020/21 as a result of Covid -19

| Analysis of Grants Received 2020/21 as a result of COVID -19 | | | |
|--|--------------------|---|--|
| Description | Amount (£m) | Additional Information | Additional Notes |
| Business Rates Grants | 42.920 | Grant payments of £10k and £25k to eligible business and funding for a discretionary scheme. | The scheme is now closed. |
| Local Restrictions Support Grant Closed (Addendum & Sector) | 8.358 | Funding to support businesses legally required to close during a national lockdown and those legally closed since March (e.g., nightclubs). | New Allocation received January 2021 |
| Local Restrictions Support Grant (Closed) | 0.376 | Funding to support businesses in Tier 3 and 4 areas legally required to close. | |
| Local Restrictions Support Grant (Open) | 1.653 | Funding to support businesses that remain open but who are severely impacted by the restrictions. | |
| Christmas Support Payment – Wet-pubs | 0.083 | Funding to support wet-led pubs where tier 3 restrictions imposed | |
| National Lockdown Top-Up Grant Jan-Feb 2021 | 9.036 | One-off top-up grant for retail, hospitality and leisure businesses closed in national lockdown Jan-Feb 2021 | |
| Additional Restrictions Grant (ARG) | 5.738 | One-off funding of approx. £20/head of population for business support activities, primarily in the form of discretionary grants during restrictions in November and January. | Top Up received January 2021. |
| New Burdens (Revenues and benefits) for the administration of the business rates grants. | 0.170 | New costs to support the administration of grants to businesses and increase in welfare and benefit claimants. | Decision made and funding used to increase capacity in the revenues and benefits team. |
| New Burdens – Administration of Retail, Leisure and Hospitality Grants | 0.076 | New costs to support the administration of grants to businesses and increase in welfare | Top Up Received January 2021 |

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| | | and benefit claimants. | |
| Local Restrictions Support Grant (RSG) allocation 16 February – 31 March | 4.735 | | |
| Sub Total | 73.145 | | |
| Analysis of Grants Received 2020/21 as a result of COVID -19 | | | |
| Description | Amount (£m) | Additional Information | Additional Notes |
| Sales Fees & Charges compensation scheme 1 st round | 4.897 | No additional costs. This grant is un-ringfenced and is available to support the Council to meet additional costs and loss of income as a result of COVID-19. | |
| Sub Total | 1.912 | Additional Information | Additional Notes |
| COVID-19 Tranche 1 | 5.364 | un-ringfenced grant and is available to support the Council to meet additional costs and loss of income as a result of COVID-19. | |
| COVID-19 Tranche 2 | 5.253 | | |
| COVID-19 Tranche 3 | 1.699 | | |
| COVID-19 Tranche 4 | 3.324 | | |
| Sub Total | 15.640 | Additional Information | Additional Notes |
| Hardship Relief Fund | 1.880 | Criteria on how this should be allocated was provided by government. Majority to be used to fund £150 credit on council tax bills to working age residents eligible for local council tax support scheme. Remainder allocated to hardship and welfare schemes. | Currently held within the Collection Fund as most of the costs will be incurred within the fund. |
| DEFRA Food and Essentials Hardship Grant | 0.229 | Allocated to wider food offer to support vulnerable people and FSM provision at October half term, and to support those | |

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| | | suffering from hardship as a result of self-isolation. Working with Bury Community Support Network to identify vulnerable group and to target support. | |
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| Analysis of Grants Received 2020/21 as a result of COVID -19 | | | |
|---|------------------------|---|---|
| Description | Amount (£m) | Additional Information | Additional Notes |
| Self-Isolation Grant | 0.171 | Grant payments to eligible claimants who are self-isolating | Government Criteria |
| Self-Isolation Grant Top Up | 0.124 | | Received January 2021 |
| Next Steps Accommodation Programme | 0.081 | | |
| COVID Winter Grant scheme | 0.619 | To support families/vulnerable households particularly with food, energy, and water bills to the end of March. Was utilised to fund free school meals since Christmas holidays and for the remainder of the financial year. | |
| Sub Total | 3.104 | Additional Information | Additional Notes |
| Re-Opening High Streets | 0.169 | Grant offset fully by new additional costs. | This grant will be paid in arrears on qualifying expenditure. |
| Sub Total | 0.169 | Additional Information | Additional Notes |
| Infection Control Tranche 1 | 2.396 | Monitoring assumes that the grant will be offset fully by new additional costs. | All of the grant received has been allocated to care home and other organisations as specified in the grant criteria. |

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| Infection Control Tranche 2 | 1.934 | Monitoring assumes that the grant will be offset fully by new additional costs. | All of the grant received has been allocated to care home and other organisations as specified in the grant criteria. |
| Sub Total | 4.330 | | |

| Analysis of Grants Received 2020/21 as a result of COVID -19 | | | |
|---|--------------------|---|---|
| Description | Amount (£m) | Additional Information | Additional Notes |
| Test and Trace | 1.080 | Monitoring assumes that the grant will be offset fully by new additional costs. | Additional costs will be reflected within the OCO department |
| Test and Trace Enhanced Support | 0.150 | Monitoring assumes that new costs will be incurred. Focus on communications and approval for additional support obtained. | Report approved. |
| COVID Marshall Funding | 0.104 | Monitoring assumes that new costs will be incurred. | Report approved via Emergency Powers Group. |
| Test, Track & Contain grant | 1.528 | Allocation of resource has been submitted to MHCLG. | Additional costs will be reflected within the OCO department. |
| Clinically Extremely Vulnerable (CEV) funding | 0.142 | Monitoring assumes that the grant will be offset fully by new additional costs. | Additional costs will be reflected within the OCO department |
| Contain Outbreak Management Fund | 0.764 | Monitoring assumes that the grant will be offset fully by new additional costs. | Funding received for December 2020 |
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| Contain and Outbreak Management | 0.764 | Monitoring assumes that the grant will be offset fully by new additional costs | Funding received for February 2021 |
| Workforce Capacity Fund | 0.408 | 80% allocated to care homes. 20% discretionary. | EPG decision February 2021 |
| Adult Social Care Rapid Testing Fund | 0.592 | 80% allocated to care homes. 20% discretionary. | EPG decision February 2021 |
| Community Champions Fund | 0.467 | | EPG decision February 2021 |
| Clinically Extremely Vulnerable | 0.162 | Monitoring assumes that the grant will be offset fully by new additional costs | |
| Sub Total | 6.925 | | |

| Analysis of Grants Received 2020/21 as a result of COVID -19 | | | |
|---|--------------------|-------------------------------|--|
| Description | Amount (£m) | Additional Information | Additional Notes |
| Wellbeing for Education Grant | 0.030 | Allocated to Schools | Non-ringfenced grant to better equip education settings to support wellbeing and psychological recovery as they return to full time education. |
| Covid catch-Up Premium | 2.367 | Allocated to Schools | Additional funding to help children catch up on lost learning and reach expected curriculum levels during the 2020/21 academic year. It should be noted that £0.875m of the funding was received by the council to be passported to academies. Funding will be received in 3 tranches (Autumn, Spring and Summer terms). |
| Covid Exceptional Cost Re- Imbursement Scheme | 2.645 | Allocated to Schools | Reimbursement scheme to allow schools to reclaim any exceptional costs incurred during lockdown from March – July 2020 in relation to premises, cleaning and free |

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| | | | school meals plus other costs that are subject to DfE scrutiny and validation. Of the funding allocated £0.660m is for academies. |
| Holiday Activities and Food Programme 2020/21 | 0.073 | Allocated to Schools | To be used for FSM and activity over Easter |
| Hospital Discharge Programme | 5.100 | Allocated Adult Social care Budgets | To facilitate the rapid transfer from hospital beds funding made available to support the cost of the first 6 weeks of community care |
| Sub Total | 10.215 | | |
| TOTAL | 118.425 | | |
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Appendix B - Support for expenditure as a result of Covid

| Title | | Description | Full Year Cost (£) |
|--|--|--|--------------------|
| Covid 19 Funding for Adult Social Care | Hospital Discharge Programme | Relates to enhance the NHS discharge process so patients who no longer need urgent treatment can return home safely and quickly. Agreement with Bury CCG is as follows: Qtr 1 (April - June) - Council able to Recharge DHSC funding pot for the first 6 weeks of Care Package Costs Qtr 2 (July -September) Council Can Recharge the DHSC funding for the first 4 weeks of Care Package Costs Qtr3 &Qtr 4 (October-March) Council Can Recharge the DHSC funding for the first 4 weeks of Care Package Costs | 2,200,000 |
| | Infection Control | To distribute the fund in accordance with the grant conditions to continue to reduce the rate of transmission of Covid-19 within and between care settings through effective infection prevention and control practices and increase the uptake of staff vaccination | 732,510 |
| | Infection Control - Extension | | 513,130 |
| | Rapid testing | Funding to support additional rapid testing of staff in care homes, and to support visiting professionals and enable indoors, close contact visiting where possible. | 472,426 |
| | Rapid testing - Extension | | 383,970 |
| Other Government Funding For Local Authorities | DWP Covid Winter Grant Scheme 2021-22 (extension / top-up) | Additional funding to support those most in need with the cost of food, energy, water and other essentials. | 582,982 |
| | Welcome Back Fund (formerly Reopening high streets Fund) | The Welcome Back Fund is providing councils across England a share of £56 million from the European Regional Development Fund (ERDF) to support the safe return to high streets and help build back better from the pandemic. | 170,000 |
| | Covid 19 Unringfenced Funding | Emergency funding for Local Government in 21/22 announced in December 2020. £1.55bn unringfenced funding for Local authorities to use to respond to the Covid 19 pandemic | 5,330,086 |
| | Additional Funding for Local Elections | £15m grant allocated across local authorities to cover the additional costs of the local elections in England (i.e ensuring polls are covid secure) | 97,639 |
| Containment Outbreak Management Fund (COMF) | Containment Outbreak Management Fund | The Fund is ring-fenced for public health purposes to tackle COVID-19, working to break the chain of transmission and protecting the most vulnerable. Whilst the specific public health activities that can be funded are subject to local decision making a list of activities that this funding could be used for is included in the general Contain Outbreak Management Fund policy letter of 1 December 2020. | 1,375,000 |
| Total | | | 11,857,743 |