

More money for Councils

I have received this update from the Government:

Dear John

SUPPORTING LOCAL GOVERNMENT IN RESPONDING TO COVID-19

Local government is an essential part of our response to Covid-19 and has mobilised to help us keep the country moving, protect the NHS and save lives, whilst delivering social care and other vital public services.

I announced on Saturday another £1.6 billion in funding to support local authorities in delivering essential frontline services during the Covid-19 pandemic. With this funding councils can continue to provide support to those who need it most, including getting rough sleepers off the street and supporting new shielding programmes for clinically extremely vulnerable people. It will also provide assistance for our heroic public health workforce and fire and rescue services.

This new funding is in addition to the £1.6 billion announced on 19th March and means that local authorities will have received over £3.2 billion, an unprecedented level of additional financial support in recent times. This will also help councils to continue delivering vital services from adult social care and children's services to waste collection. The grant will be un-ringfenced, recognising local authorities are best placed to decide how to meet the major Covid-19 service pressures in their local area. I will write out with confirmation of individual allocations as soon as practicable.

I have been meeting regularly with council leaders and officers from across the sector so I can understand their local challenges, including the additional costs and pressures on their finances they are facing as a result of the current crisis. The package I have announced today responds to these and demonstrates my commitment to making sure councils, including upper and lower tier authorities, have the resources they need to support their communities through this challenging time.

Alongside providing additional funding, I have also taken a number of measures to support immediate cash flow concerns, most recently deferring £2.6 billion in local authority payments of the Central Share of retained business rates and making an upfront payment of £850m in social care grants this month.

In summary the Government's package of support for local areas is:

- • £3.2 billion in funding for local authorities to deliver essential frontline services
- • £2.6 billion in deferred local authority payments of the Central Share of retained business rates
- • £850 million upfront payment in social care grants this month
- • 250,000 food boxes delivered so far to help shield those who are

clinically vulnerable – funded directly by central Government

- • £20 billion in business rates support and grant funding to help businesses manage their cashflow
- • £10,000 grants for businesses eligible for Small Business Rates Relief and Rural Rates Relief
- • Up to £25,000 for businesses in the retail, hospitality and leisure sectors, subject to their rateable value
- • £3.2 million of initial emergency funding for local authorities to support rough sleepers, provided before the un-ringfenced funding
- • £2 million additional funding to bolster domestic abuse helplines and online support

And this very comprehensive and coherent support comes on top of the 2020/21 financial settlement, the most generous for local government in a decade.

I will continue to work with councils over the coming weeks to support them as they lead the national effort at the local level.

I am extremely grateful to everyone working in local government, from care and social workers to refuse collectors, for the role they have played in ensuring we keep the country moving during this period. They are the unsung heroes of the coronavirus response and the funding package announced today recognises that the work our local councils undertake has never been more vital.

RT HON ROBERT JENRICK MP