

Spending Round gives big boost to local communities

- Local government to benefit from a £3.5 billion funding increase to support vital local services, including a £1 billion grant for adult and children's social care
- £422 million confirmed to tackle homelessness and rough sleeping, including an additional £54 million in 2020 to 2021 – a 13% real terms increase
- £241 million from the Towns Fund in 2020 to 2021 will support the regeneration of high streets, town centres and local economies

Councils across England are set to receive the biggest year-on-year real terms increase in funding for almost a decade, after details of the Spending Round were announced.

The Chancellor confirmed local authorities can expect to see the funding they have access to now rise in real terms by an estimated 4.3% in 2020 to 2021, with a £2.9 billion increase in their core spending including £1 billion government grant for adults and children's social care.

Councils will also have the option to raise up to half a billion pounds more for adult social care, where needed, through additional council tax flexibilities to fund more care home places, more social workers and to provide residents with the local services that they need and deserve.

Together with over £700 million of additional funding for children with special educational needs, the funding available to support vital local services next year will come to more than £3.5 billion.

Communities Secretary Rt Hon Robert Jenrick MP said:

I am delighted the Chancellor has announced the biggest year-on-year real terms increase in spending power for local government in almost a decade.

Next year councils will benefit from £3.5 billion of extra funding available to them for the core services that are so important to residents – including a £1 billion cash grant for social care.

This package comes in recognition of the central role that local authorities play in supporting communities and our most vulnerable people across the country.

Funding was also announced in the [Spending Round](#) for other areas for which the Ministry of Housing, Communities and Local Government is responsible for, including:

Homelessness

The Chancellor confirmed £422 million will be spent tackling homelessness and rough sleeping next year, with funding up by £54 million in 2020 to 2021 – a 13% real terms increase in funding.

The money is part of the government's drive to ensure no one is left without anywhere to go, and follows the publication of the [Rough Sleeping Strategy](#) last year.

Schemes such as the Rapid Rehousing Pathway scheme and the Rough Sleeping Initiative will be supported by this funding.

Towns Fund

The Chancellor confirmed £241 million from the [Towns Fund](#) in 2020 to 2021 will help support high streets, towns and local economies so they can harness their unique strengths to deliver growth, prosperity and level up the regions.

Building safety

An extra £24 million will be made available for the building safety programme – as the government takes urgent steps to ensure a tragedy like Grenfell can never happen again.

It comes on top of £600 million the government has committed for social and private building owners to remove ACM cladding from residential buildings.

Backing for other projects

The government is continuing to provide funding to make the housing market work and backing the Midlands Engine and Northern Powerhouse.

The package also includes continued support to increase home ownership through the Help to Buy equity loan and other housing programmes, including providing Homes England additional funding to deliver more homes where people need them.

There will also be continued funding for the Troubled Families programme, which is transforming the way public services are delivered to support families with complex needs.

There will also be an extra £10 million funding for Integration Areas to support English as a second language, under the integration programme. The scheme will provide improved access to education, jobs and other opportunities.