

**Update on the level and nature of Covid funding received to support the impact of the pandemic**

**Recommendation: That Health & Adult Care Scrutiny Committee note the update**

**1. Introduction**

- 1.1. The purpose of this report is to provide further detail on the funds that Devon County Council has received during 2020/21 to facilitate responding to the pandemic, and to provide an update of support contained within the Provisional Local Government Finance Settlement for 2021/22.
- 1.2 Devon County Council has needed to respond quickly to a rapidly developing crisis to ensure people receive vital care and support. For Adult Social Care and Health this has included stabilising the adult care sector through sustainability funding and meeting extra costs; and practical support around personal protective equipment (PPE), testing, infection control, and recruitment. It has also included the provision of agency staff to ensure care homes remain open when high numbers of staff are off sick or isolating due to Covid-19.

**2. Covid-19 funding received directly**

- 2.1. In response to the COVID-19 outbreak Central government has put in place a number of grant funding streams to help support Local Authorities in their response to the pandemic. To date Devon County Council has been allocated 13 different pandemic related grants with a confirmed value of £80.5 millions, of which £77.9 millions has now been received and £54.8 millions spent. A table listing each funds is attached at appendix 1, but a high level summary of each of the grants follows:

**2.1.1. Local Authority Covid Support Grant - £43.5 millions.**

This funding is intended to support the pressures being faced in response to the Covid-19 pandemic across all the County Councils services. Allocated to Local Authorities based upon the Ministry of Housing, Communities and Local Government (MHCLG) Covid needs formula, this has so far arrived in 4 tranches this year. There is local discretion in how this is allocated, but the fund is intended to meet increased demand for Adult social care and enable additional support to social care providers, meet the costs of extra demand and higher business as usual costs of providing Children's social care and meet pressures across other services.

A summary of the application of this grant by service area can be seen below. There is currently a forecast overcommitment of £300,000. If this or further pressures materialise, and additional funding is not forthcoming from Central Government, there will be a need to meet the overspend from reserves. These forecasts are regularly reviewed and therefore do change.

	<b>% Share</b>	<b>Forecast Expenditure</b>
Adults Care and Health	54.8%	24,022,292
Children's Services	19.4%	8,485,008
CoPHEP	3.6%	1,567,558
Corporate	7.1%	3,096,160
Highways, Infrastructure and Waste	5.6%	2,462,446
Authority Wide	9.6%	4,197,636
	<b>100%</b>	<b>43,831,100</b>

Specifically, for Adults Care and Health the forecast expenditure of £24 millions can be analysed further by support type as follows:

#### **Adult Care and Health application of the covid support grant**

<b>Type of support</b>	<b>Forecast Expenditure</b>
1. New Exceptional Costs	793,313
2. Market Underwriting	16,104,499
4. Funding & Income	2,099,971
6. Impact on Planned Budget Savings	4,707,000
New Exceptional Costs	317,509
<b>Grand Total</b>	<b>24,022,292</b>

#### **2.1.2. Adoption Support Fund - £ 217,097.**

This scheme enabled regional adoption agencies and local authority adoption teams, that were not in a regional adoption agency (RAAs/LAs) to access funds to deliver new immediate therapeutic support to eligible families during the pandemic only. Specific exclusions related to activities in school settings, respite support and electronic equipment including computers. This is expected to be spent in full this financial year.

#### **2.1.3. Bus Services Support Grant - £1.2 millions.**

This Grant was intended to support the operation of the public transport offer, including taking staff off furlough, mileage, PPE etc. This is expected to be spent in full this financial year.

#### **2.1.4. Infection Control Fund-Tranche 1 £10.5 millions and Tranche 2 £9.2 millions**

This fund is available to support Adult Social Care Providers, including those with whom the Local Authority does not have a direct contractual relationship, to reduce the rate of Covid -19 transmission in and between care homes, and also to provide support to the wider workforce resilience.

The application of 80% of this fund has been mandated by Government and passed onto regulated care home and community providers who conditional on meeting the additional responsibilities and reporting requirements that come with the fund. The remaining 20% has an

element of local discretion in its application and has mainly been used to implement measures to support workforce resilience, the unregulated market and to engage assistance from the voluntary sector. This is expected to be spent in full this financial year.

**2.1.5. Emergency Active Travel Fund - Tranche 1 £316,426 and Tranche 2 £1.3 millions**

Tranche 1 was intended to help make use of temporary intervention to create an environment that is safe for both walking and cycling and also to support active travel. Tranche 2 has been received as capital and revenue funding and will be targeted towards more permanent developments in Barnstaple, Newton Abbot and Exeter and support the extension of some tranche 1 schemes. This is expected to be spent in full this financial year.

**2.1.6. Test and Trace Local Action Plan - £2.6 millions.**

The purpose of the grant is to provide support for local authorities in England towards expenditure incurred in relation to the mitigation against and management of local outbreaks of COVID-19. The majority of spend to date has supported outbreak management infrastructure and communications and marketing. The current year forecast remains uncertain as it is dependent on responding to local outbreaks and any unspent grant can and will be carried into next financial year.

**2.1.7. Emergency hardship Fund - £757,020**

This fund is intended to support those in immediate need struggling to afford food and essentials. This has been transferred to the District Councils and is expected to be spent in full this financial year.

**2.1.8. Additional Home to school Transport - £1.7 millions**

Funding is intended to be spent on ensuring there is sufficient transport capacity so children and young people can get to school and college safely and on time.

**2.1.9. Travel Demand Management - £100,000**

Funds have been made available to allow Local Authorities to engage consultant capacity to plan for travel demands. This is expected to be spent in full this financial year.

**2.1.10. Wellbeing for Education Return Fund - £128,139**

This is intended to support the Wellbeing for Education return project which seeks to better equip education settings to support pupils and students' wellbeing and psychological recovery as they return to full-time education this autumn. This is expected to be spent in full this financial year.

**2.1.11. Clinically Extremely Vulnerable Support Fund - £473,000**

This fund has been made available to support the strategic planning and operational delivery of support to the clinically extremely vulnerable in partnership with the NHS and District Authorities. This is expected to be spent in full this financial year.

#### **2.1.12. Winter Scheme - £2.04 millions**

This is directed to upper tier local authorities in England to provide support over the winter to children and households who are experiencing, or at risk of experiencing, poverty where they are impacted by the ongoing public health emergency and where alternative sources of assistance may be unavailable. This is expected to be spent in full this financial year.

#### **2.1.13. Contain Outbreak Management Fund (1) (COMPF) - £6.4 millions**

This is to support Public Health and local economies during, and following, the November national lockdown to manage compliance, put in place social support, contact tracing and testing. Plans are being developed to allocate this fund, but the current year forecast remains uncertain. Any unspent grant can and will be carried into next financial year.

#### **Contain Outbreak Management Fund (2)**

Further funding is expected to be provided by government in line with this grant which is for public health interventions to manage the COVID-19 response. This will be linked to Local Authority tier status and transferred monthly. Tier 1 areas will not receive additional funding, tier 2 areas should expect to receive £2 per head of population every 28 days, while tier 3, tier 4 and national lockdown areas can expect to receive £4 per head of population every 28 days. Prompt Action Funding has been allocated under COMPF 1 and 2 to continue this vital community impact support.

2.2. Each of the grants detailed have different terms and conditions regarding their application, year-end treatment and flexibility to carry forward or return if unspent.

2.3. Most of the grants received are expected to be spent in full this financial year or are permitted to be carried forward to support related costs incurred in 2021/22. As the national and local circumstance evolve the funding landscape may change.

### **3. Other sources of funding**

3.1. In addition to the grants directly received Devon County Council has submitted claims for lost income against the Sales Fees and Charges compensation scheme totalling just under £1.4 millions so far this year.

3.2. At the start of the pandemic the Government also confirmed that part of the £1.3 billions of funding made available to the NHS was intended to support costs incurred by local authorities in the support of hospital discharge, and out of hospital activity. This programme now has 2 tranches. Tranche 1 covers costs incurred up to the end of August 2020 and provides support for care costs incurred until the end of the financial year. Tranche 2, in place from the start of September 2020, makes provision for social care costs to be reimbursed for 6 weeks after time of discharge. Working in partnership with Devon CCG, Devon County Council has received reimbursement for tranche 1 costs of £11.6 millions and is awaiting confirmation and reimbursement from NHS England of further tranche 1 costs of £6.2 millions and tranche 2 costs of £2.5 millions.

#### **4. The Provisional Local Government Finance Settlement 2021/22**

- 4.1. On the 17th December 2020, the Secretary of State for the Ministry for Housing, Communities and Local Government, Rt. Hon. Robert Jenrick MP, made a statement to Parliament on the Provisional Local Government Finance Settlement 2021/22, part of this statement announced a further £2.2 billions to support local government in responding to the pandemic in 2021/22.
- 4.2. The support announced included £1.55 billion of unringfenced grant to manage the immediate and long-term impacts of the pandemic. Devon County Councils share of this grant is £14.8 millions.
- 4.3. A national allocation of £670 millions was confirmed to allow council tax bills for those least able to pay, including households financially hard-hit by the pandemic.
- 4.4. Confirmation was also provided for the extension of the Sales Fees and Charges income support scheme until June 2021.

#### **5. Conclusion**

- 5.1. The funding issued to support Local Authorities in responding to the Pandemic is significant but the ever-changing landscape we are faced with continues to present service delivery challenges and financial pressures.
- 5.2. To date as the national situation continues to evolve and central government have put measures in place to manage the pandemic funding support to Local Authorities in responding to pressures has followed.
- 5.3. The uncertainty of future government support to address the ongoing costs as a result of the Covid -19 pandemic is a key risk. Longer-term support may be needed for care providers and the authority will continue to engage further with central government to seek adequate funding.
- 5.4. As stated within the report, different grants have a variety of restrictions around how they can be deployed and what specific activities they can fund.

Mary Davis  
County Treasurer

Appendix 1 Summary of Covid Related Grants					
Paragraph	Description	Sum of Grant Value	Forecast Spend	Variance	Comment
8.1.1	Local Authority Covid Support Grant	43,533,019	43,831,100	298,081	Potential pressure may result in call on reserves.
8.1.2	Adoption Support Fund	217,097	217,097	0	
8.1.3	Bus Services Support	1,205,522	1,205,522	0	
8.1.4	Infection Control Grant Tranche 1 and 2	19,713,097	19,713,097	0	
8.1.5	Emergency Active Travel Fund	1,599,876	1,599,876	0	
8.1.6	Test and Trace Local Action Plan	2,618,508	TBC	(2,618,508)	Plans are under development but the grant is ringfenced and any underspend is expected to be carried forward
8.1.7	Emergency Hardship Fund	757,020	757,020	0	
8.1.8	Addtnl Home to School Transport	1,662,522	1,662,522	0	
8.1.9	Travel Demand Management	100,000	100,000	0	
8.1.10	Wellbeing for Education Return	128,139	128,139	0	
8.1.11	Clinically Extremely Vulnerable Support Fund	473,000	473,000	0	
8.1.12	Winter Scheme Exp	2,042,754	2,042,754	0	
8.1.13	Outbreak Management Exp	6,419,000	TBC	(6,419,000)	Plans are under development but the grant is ringfenced and any underspend is expected to be carried forward
		<b>80,469,554</b>	<b>71,730,127</b>	<b>(8,739,427)</b>	