

## POLICY BRIEF

Performance, Finance and Customer Focus Overview Scrutiny Committee

25 November 2020



### GOVERNMENT POLICY, LEGISLATIVE ANNOUNCEMENTS AND NEWS

Government announcements which may be of note to this committee made over the last few weeks.

#### Spending Review to conclude late November

The Chancellor will conduct a one-year Spending Review on 25 November in order to prioritise the response to Covid-19. The Chancellor will set department's resource and capital budgets for 2021-22, and Devolved Administration's block grants for the same period. Multi-year NHS and schools' resource settlements will be fully funded, as will priority infrastructure projects. He said "While the government would have liked to outline plans for the rest of this Parliament, the right thing (now) is to focus entirely on the response to Covid-19 and supporting jobs - that's what the public would expect".

#### The Spending Review and Local Government Finance

The Housing, Communities and Local Government Committee has launched a **new inquiry** into the spending review and local government finance. In this new inquiry, the Housing, Communities and Local Government Committee will consider what approach the Government should take to funding local government as part of the 2020 spending review.

The Committee invites evidence on the following issues:

- The approach the Government should take to local government funding as part of the 2020 Spending Review and what the key features of that settlement should be.
- The current financial situation of councils, how this has affected their ability to deliver services and the demand for services, including Adult Social Care.
- What the financial challenges facing councils are as a result of the COVID-19 pandemic, including lost income and local tax losses.
- What the impact is of another one-year spending review and a further delay to a multi-year settlement and the Fair Funding Review.

Submissions for evidence close on Friday 27 November.

#### New winter package to provide further support for children and families

Councils have been given new funding for vulnerable households. The funding will be ring-fenced, with at least 80% earmarked to support with food and bills, and will cover the period to the end of March 2021. Local Authorities will receive the funding at the beginning of December 2020.

- £170m Covid Winter Grant Scheme to support children, families and the most vulnerable over winter
- Holiday Activities and Food programme to be expanded, covering Easter, Summer and Christmas in 2021
- Healthy Start payments set to rise from £3.10 to £4.25 a week from April 2021
- Suite of measures represents long-term plan to help tackle poor health, hunger and education.

#### Package to support and enforce self-isolation

People who are required by law to self-isolate from 28 September, will be supported by payment of £500 for those on lower incomes who cannot work from home and have lost income as a result.

#### The Secretary of State for Housing, Communities and Local Government Robert Jenrick announced new measures to support rough sleepers which include:

- A new £10m Cold Weather Fund to support councils get rough sleepers off the streets during the winter by helping them to provide more self-contained accommodation.

- An additional £2m for faith and community groups to help them provide secure accommodation for rough sleepers.
- Comprehensive guidance to the sector, produced with Public Health England, Homeless Link and Housing Justice to help shelters open more safely, where not doing so would endanger lives.

### [Secretary of State Robert Jenrick launches 'Protect Programme': the next step in winter rough sleeping plan](#)

A further £15 million has been allocated to specific areas to help protect some of the most vulnerable people in our communities. In a [statement](#), the Secretary of State, Robert Jenrick stated that all councils in England will be asked to update their rough sleeping plans and consider interventions for anyone sleeping rough.

### [Government extends Furlough to March 2021 and increases self-employed support](#)


The Coronavirus Job Retention Scheme (CJRS) will now run until the end of March with employees receiving 80% of their current salary for hours not worked.

Similarly, support through the Self-Employment Income Support Scheme (SEISS) will be increased, with the third grant covering November to January calculated at 80% of average trading profits, up to a maximum of £7,500. A fourth grant will cover a three-month period from 01 February 2021 until 30 April 2021. The Government will review the level of the second grant and set this in due course. The Job Support Scheme is postponed and the CJRS will be reviewed in January.

### [Local Restrictions Support Grants \(LRS\) and Additional Restrictions Grant \(ARG\): guidance for local authorities](#) (New)

This guidance for local authorities is on paying grants to support businesses during the November to December 2020 national lockdown and periods of local restrictions.

## OPEN CONSULTATIONS

Date of publication	Performance, Finance and Customer Focus Overview Scrutiny Committee	 GOV
21 Oct	The Housing, Communities and Local Government Committee has launched a new inquiry ( <a href="#">call for evidence</a> ) into the spending review and local government finance. Finance team responding.	27 Nov