

Appendix 2

Corporate Grants Register

Government Grant Funding of Local Expenditure

1. Cheshire East Council receives two main types of Government grants; specific use grants and general purpose grants. The overall total of Government grant budgeted for in 2019/20 was £264.6m.
2. In 2019/20 Cheshire East Council's specific use grants held within the services was budgeted to be £249.7m based on Government announcements to February 2019. At mid-year, this figure was revised down to £244.9m, and then down again at third quarter to £237.0m.
3. The last quarter has seen a decrease in specific use grant of £1.6m. In the People Directorate, the majority of the difference relates to Academy conversions, whilst in the Corporate Directorate, there has been a further reduction in Housing Benefit Subsidy.
4. Spending in relation to specific use grants must be in line with the purpose for which it is provided.
5. General purpose grants were budgeted to be £14.9m. This reduced by £0.3m during the year as the Tackling Troubled Families budget was transferred to the service. Further in-year grant announcements have increased the amount received to £30.2m.
6. Where additional non-ringfenced grant funding is received, services wishing to increase their expenditure budgets are required by Finance Procedure Rules to seek approval to use this additional funding. Additional general purpose grants totalling £6.1m were received during the final quarter of 2019/20.
7. Services are seeking approval for use of £73,351 of this additional funding (**Table 1**) in 2019/20 to match expenditure that has occurred during the year. This relates to COVID-19 Bus Support Services and Neighbourhood Planning.
8. Services are seeking approval to use £157,381 of this additional funding (**Table 1**) in 2020/21 and this has been transferred to an earmarked reserve.
9. These grants were received too late in 2019/20 to spend in year and therefore this report seeks approval to service requests to incur expenditure of £157,381 in 2020/21, fully funded by the additional grants.
10. There are also service requests relating to 2020/21. The requests relate to Public Health and Rough Sleeping Initiative grants. These requests increase budget expenditure in People Directorate by £790,265 and Place Directorate by £438,329.
11. During the quarter service budgets have been increased by £133,332 as a result of an officer decision record. This related to an Environmental Service Feasibility Study (NW Local Energy Hub) funding that was received, and expenditure budget required, during 2019/20.

12. COVID-19 Emergency Funding of £9.1m was also received during the final quarter. Of this, £1.0m has been applied in 2019/20 with the remaining £8.1m going forward in to 2020/21.
13. Business Rates Tax Loss Compensation grants of £8.4m have also been received during 2019/20 to reimburse billing authorities for the extra discounts offered to businesses as announced in the Autumn Statements. £3.6m of these grants have been utilised to support the revenue budget.

14. Net additional general purpose grant of £15.3m has been received during the year, with £1.1m being allocated direct to services. After allowing for the transfer of £13.1m to earmarked reserves, the net outturn variance is a £1.1m improvement against budget.
15. **Table 2** below provides a summary of the updated budget position for grants in 2019/20 by type and service. Further details of grants are shown in the Statement of Accounts.

Table 1 – Requests for Allocation of Additional Grant Funding

Service	Type of Grant	£000	Details
Place	Neighbourhood Planning Grant for Local Planning Authorities (General Purpose)	23	The conditions of grant mean that this funding could be used across the wider Spatial Planning area.
Place	Covid-19 Bus Support Services (Ring-fenced)	50	Additional support for bus services that have been affected by, or need to be adjusted because of, the impact of COVID-19. Conditions apply and any underspend will need to be returned to DfT.
Total Allocation 2019/20 for use in 2019/20		73	
Place	Neighbourhood Planning Grant for Local Planning Authorities (General Purpose)	37	The conditions of grant mean that this funding could be used across the wider Spatial Planning area.

Service	Type of Grant	£000	Details
Place	Private Rented Sector Innovation and Enforcement (General Purpose)	75	This grant is to be used to raise the standard of properties in the Private Rented Sector by supporting projects that will help local authorities to carry out their duties and use their existing budgets more effectively.
Place	Custom Build (General Purpose)	15	The funding is designed to off-set the new responsibilities imposed by the the Self-build and Custom Housebuilding Act 2015. The Act requires authorities to keep a register of individuals and associations of individuals who are seeking to acquire serviced plots of land in the authority's area and, unless exempt, to grant sufficient development permissions to meet the demand for self-build and custom housebuilding.
Place	Brownfield Register & Payments In Principle (General Purpose)	2	New legislation requires local planning authorities to prepare and maintain registers of previously developed land suitable for housing (brownfield land registers) and allow for the granting of permission in principle for sites allocated for housing-led development. Local planning authorities are receiving new burdens grant payments to fulfil the new requirements.
Corporate – Customer Operations	Blue Badge: New Criteria Implementation (General Purpose)	15	The Government is providing revenue funding towards the additional administration costs that have arisen because of the changes to the eligibility criteria for Blue Badges to include non-visible disabilities which came into force on 30 th August 2019.
Corporate	Local Government Transparency Code - New Burdens (General Purpose)	13	New burdens in relation to the Council's obligation to publish information in line with the Government's Transparency Code 2014.
Total Allocation 2019/20 for use in 2020/21		157	

Service	Type of Grant	£000	Details
People	Public Health (Ring-fenced)	790	The public health grant is ring-fenced for use on public health functions exclusively for all ages. This request is in addition to the amount included in the Medium Term Financial Strategy report.
Place	Rough Sleeping Initiative (Ring-fenced)	438	The Rough Sleepers Initiative provides local support for those living on the streets, making an immediate impact on the rising levels of rough sleeping. This request is in addition to the amount included in the Medium Term Financial Strategy report.
Total Allocation 2020/21		1,228	
Central Budgets	Covid-19 Emergency Funding	1,053 8,098	The Covid-19 Emergency Funding is additional grant received due to the rising costs caused by the pandemic. Use of Emergency Funding to cover additional expenditure relating Covid-19 during 2019/20. Remaining Emergency Funding carried forward in a reserve to meet additional costs during 2020/21
Total Covid-19 Funding		9,151	

Table 2 – Corporate Grants Register

	Original Budget	Revised Forecast TQR	Final Outturn	Change from TQR
	2019/20 £m	2019/20 £m	2019/20 £m	2019/20 £000
SPECIFIC USE				
Held within Services	249.7	237.0	235.4	(1.6)
GENERAL PURPOSE				
<u>Service Funding</u>				
People - Childrens & Families	0.2	0.4	0.4	0.0
People - Adult Social Care and Health	3.7	3.7	3.7	0.0
Place	0.1	0.1	0.5	0.3
Corporate - Customer Operations	1.6	1.6	1.6	0.0
Corporate	9.3	9.7	19.0	9.3
Central Items	0.0	8.6	5.0	(3.6)
TOTAL GENERAL PURPOSE	14.9	24.1	30.2	6.1
TOTAL GRANT FUNDING	264.6	261.1	265.6	4.5

Source: Cheshire East Finance

Corporate Grants Register (Detail)

Corporate Grants Register 2019/20		Original Budget	Revised Forecast TQR	Final Outturn	Change from TQR
	Note	2019/20 £000	2019/20 £000	2019/20 £000	2019/20 £000
SPECIFIC USE (Held within Services)					
PEOPLE					
Schools	1	149,481	144,800	143,795	(1,005)
Children & Families		1,732	2,340	2,349	10
Adult Social Care		12,675	12,690	12,686	(4)
Public Health		15,967	15,967	15,967	0
Public Sector Transformation		0	410	410	0
Total		179,855	176,206	175,207	(999)
PLACE					
Growth and Regeneration		652	652	651	(1)
Planning and Sustainable Development		220	0	0	(0)
Directorate		787	819	819	0
Total		1,659	1,471	1,470	(1)
CORPORATE					
Finance and Customer Services		68,211	59,329	58,736	(593)
Total		68,211	59,329	58,736	(593)
TOTAL SPECIFIC USE		249,725	237,006	235,413	(1,593)

Corporate Grants Register 2019/20		Original Budget	Revised Forecast TQR	Final Outturn	Change from TQR
	<i>Note</i>	2019/20 £000	2019/20 £000	2019/20 £000	2019/20 £000
SPECIFIC USE (Held within Services)					
GENERAL PURPOSE (Held Corporately)					
PEOPLE					
Children and Families		195	368	368	0
Adult Social Care and Health		3,679	3,702	3,702	0
PLACE					
Environment and Neighbourhood Services		0	83	294	211
Growth and Enterprise		47	47	122	75
Highways and Infrastructure		16	16	67	50
CORPORATE					
Finance and Customer Services		1,598	1,607	1,644	37
Governance and Compliance		0	352	365	13
CENTRAL ITEMS					
Central		9,328	9,328	18,621	9,293
Collection Fund		0	8,577	5,001	(3,575)
Total Service Funding		14,863	24,079	30,184	6,105
TOTAL GENERAL PURPOSE		14,863	24,079	30,184	6,105
TOTAL GRANT FUNDING		264,588	261,086	265,597	4,511

Notes

- 1 The Dedicated Schools Grant, Pupil Premium Grant, Sixth Form Grant and Other School Specific Grant from the Education Funding Agency (EFA) figures are based on actual anticipated allocations. Changes are for in-year increases/decreases to allocations by the DfE and conversions to academy status.