**COVID-19 UPDATE : 16th June 2020**

Hi all,

Just a quick update on progress with discussions with MHCLG.

COVID19

We are still in active and technical discussions with the LG Finance Team at MHCLG on another funding package. As I’m sure you are all aware the next DELTA form has been released with a return date of this Friday, and those forms will again by crucial in providing evidence of our continued funding pressures. Whilst discussions with MHCLG are positive I do think it is inevitable that there will be an element of burden sharing in the next funding package. Alongside this we are also pressing for some extra flexibilities to help us deal with not only the current financial pressures but also our medium term position. I hope to share a more detailed update next week.

Also, you may have seen that Simon Clarke gave the following answer yesterday to the House of Commons on LG finance:

"We've paid an unprecedented £3.2bn to local authorities to address the pressures that they are facing in response to the pandemic, including £17.9m to the Honourable Lady's own council, on top of an increase of £13.5m in their core spending power this year, and have introduced measures worth over £5bn to help ease council's immediate financial pressures. My Rt Honourable Friend, the Secretary of State, and I are currently working closely with cabinet colleagues on a comprehensive plan to ensure councils' financial sustainability over the financial year ahead."

And in response to a follow up question:

"As I set out in my previous answer, we are working closely with the Treasury on a comprehensive settlement for the sector which we will be bringing forward in due course."

 For those of you will HRA’s you have hopefully seen the email from MHCLG last week that there will be an extension to the timescales for spending 141 receipts. SDCT has been lobbying MHCLG for some time on that so it’s positive that our concerns have been taken on board. There is an agreement to sign and send back by 3rd July if your authority wants to take advantage of the extra flexibility.

Thank you for everyone that sent their May DELTA return to LG Futures – we hope to have a draft report to share next week. You may have seen some of the LGA’s analysis of the DELTA returns which shows the gap that districts still face. The LG Futures analysis will give us more details on the position for districts and we will be able to use it to lobby MHCLG to make the case for further funding.

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