

**Local Government Hardship Fund**  
**Additional Costs Claims – Principles and Guidance 2021-22**  
**V2 – 27/9/21 - FINAL**

## **Budget**

The Local Government Hardship fund was allocated £206.6m to support local government for the first six months of 2021-22 in the Welsh Government Final Budget 2021-22. In addition £23.3m was allocated to support free school meals during the school holidays.

A further £97.5m has been allocated until the end of the financial year. This is based on spend patterns to date, Society of Welsh Treasurers (SWT) survey forecasts, any changes to policy approaches (for example tapering of social care uplifts and void payments) and the current alert level.

The budget in 2021-22 will be managed on an overall basis, with no specific budgets allocated to cost areas. However management information will continue to be provided with a breakdown of service categories or specific policy interventions. The budget will continue to be monitored on a monthly basis and reports given to SWT.

It is anticipated that the hardship fund will **not** be in place beyond 31 March 2022.

## **Claims**

Additional cost claims will continue to be requested on a monthly basis. The claim deadlines for the second six months of the year are:

October	15 November
November	15 December
December	17 January
January	15 February
February	15 March
March	29 April

## **Additional cost principles**

The aim of the principles is consistent and fair treatment across authorities. This document does not cover an exhaustive list of additional costs but gives information on the main areas or those that have been identified as more complex from claims to date. **These principles are for the period from 1 October 2021.**

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Table A below sets these by service area for allowable or disallowable items. Any changes are highlighted in red. We will only accept late claims for these items relating to the first half of the year until the November claim. Anything claimed for the first half of the year in December onwards will be disallowed.

Some areas of claim will undoubtedly require further information or discussion for the panel to understand the context and although we will try to keep further requests to a minimum we would appreciate your continued assistance.

Where local authorities are working with arms-length bodies they may need to provide additional funding in the form of a support fee to that arms-length body – please include these on the quarterly loss of income claims.

**Please use the most recent claim form circulated** so that all the drop down categories of spend are up to date.

### **Offsetting savings**

Any savings made because services are not running, for example overtime, cleaning costs or materials, should be netted off the claims **on a separate line** in the return.

### **Free school meals**

[Free school meal costs for self-isolating or shielding learners | GOV.WALES](#)

Funding is available within the hardship fund to cover free school meal provision within school holidays at £3.90 per day to the end of the financial year.

Funding for pupils self isolating pupils policy is currently being considered.

### **Adult social care**

The adult social care guidance for the second half of the year is attached, this is joint guidance for Local Authorities and Local Health Boards.



Support for Adult  
Social Care supp guid

Only two categories of support – temporary uplifts and unfunded voids, are claimable from the Hardship Fund from October to March, and are payable on a taper basis for most subsectors as detailed in the guidance above. The Local Sectoral Support Fund (LSS) will not continue from October as the £40m recovery funding that has been made available to support the Social Care Recovery Framework will then be available to local commissioners which will allow more flexibility for them to support the sector in a way that enables local service provision to be shaped.

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[In order to streamline and expedite the claims processing for both uplifts and voids, and aid policy monitoring of the voids pressures during the taper period please:-

- Use a separate line for both uplifts and voids for each individual calendar month as they will be at different rates.
- For voids, use separate lines for residential care voids and for any nursing top-up provided.
- Please note the number of voids in days for the calendar month. (e.g. 775, rather than 25 in July (25x31)).
- If claims made for “red homes” at the higher taper rate, these can be claimed on the same line as either the residential care or top up lines as appropriate, but please also note the number of “red home” voids in days applied in the period.

### **Children’s social services**

As restrictions ease it is expected that some placements may be able to start moving again however the pandemic may have increased demand for emergency placements which may take time to manage to a sustainable position. Where costs are as a direct result of Covid – for example someone not being able to move onto a more suitable placement or placements breaking down costs are eligible.

The cost of additional social workers to deal with increased caseload due to Covid are also eligible.

### **Homelessness**

The provision of homelessness support continues, however the fund will only cover the cost of additional temporary accommodation required in response to the homelessness Covid-19 policy to ensure no-one is left without appropriate accommodation or at risk of rough sleeping. This includes any security costs required, as well as the cost of minor repairs to rectify any damage caused to accommodation.

We would remind authorities to continue to access Housing Benefit where available to help meet the costs of temporary accommodation. Similarly, where individuals are in employment and able to make a contribution towards their temporary accommodation costs, the expectation is that, as was the case prior to the pandemic, local authorities would assess whether a contribution would be appropriate and affordable (the judgement and discretion on this rests with the authority).

The fund can also be used to help meet the additional staffing costs associated with the emergency response, however any support staff costs should be met through the Housing Support Grant given the considerable increase in this budget in 2021/22.

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Please note the fund should not, as a matter of course, be used to cover the cost of food. This will only be supported in very limited circumstances, which will need to be agreed in advance and where a clear rationale exists. We would continue to encourage local authorities to work with partners who may have previously supported people with provisions on the street, or with local businesses, to help to support people access healthy and affordable food options within accommodation.

The fund should also no longer be used to pay for furniture, white goods and other household items (including starter packs) and funding for such items should be explored through the Discretionary Assistance Fund (DAF) route.

Payments of rents in advance or rent arrears continue to not be eligible for support through the fund and other schemes such as Discretionary Housing Payments and the Tenancy Hardship Grant should instead be explored.

### **Excess deaths provision**

Additional costs of temporary morgue facilities will continue as long as they are supported by risk assessments on a joint basis between local health boards and Local Resilience Forums (LRFs).

### **Education**

The hardship fund will support additional costs incurred under the current guidance, which is based on risk assessment.

[Local COVID-19 infection control decision framework for schools from autumn 2021 \[HTML\] | GOV.WALES](#)

*School cleaning* – additional costs relating to appropriate levels of school cleaning (in line with other communicable diseases) including extra shifts, overtime and materials are eligible. This includes provision for cleaning of school transport. Deep cleaning will no longer be funded unless it relates to a deep clean of the immediate area where a class cluster has been identified.

*Face coverings* – provision of face coverings, as required by a current risk assessment under the guidelines, for staff and students are eligible.

*IT hardware for home schooling / social distancing* – these costs will no longer be eligible.

*IT software for home schooling* – these items will no longer be eligible.

*Teaching staff (teachers and classroom assistants) absence* – cover for staff absence due to Covid 19 is eligible until the end of October when rates will be reviewed and principles updated if necessary – for example if there is a significant fall.

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*Teaching staff (teachers and classroom assistants) absence long Covid* – cover for staff absence due to long Covid is not eligible and should be covered by local authorities' long term sickness policies.

*Teaching staff (teachers and classroom assistants) 28 weeks pregnant* – funding for cover for staff who are 28 weeks pregnant, and following a risk assessment are advised to work from home, can be claimed.

*Teaching staff (teachers and classroom assistants) clinically extremely vulnerable* – funding for cover for staff who are in a clinically extremely vulnerable category, and following a risk assessment are advised to work from home, can be claimed.

*Teaching staff (teachers and classroom assistants) care for dependents* – staff no longer have to isolate if they have a double vaccination. This includes where a member of their household has tested positive. Where a staff member has caring responsibilities for someone who has to self isolate and cannot be left alone if no other arrangements can be put in place (for example children aged 13 and under) cover can be claimed until the end of October when rates will be reviewed and principles updated if necessary – for example if there is a significant fall.

*Teaching staff (teachers and classroom assistants) self isolation* – where staff have not been double vaccinated and have been contacted by track and trace (or where schools or staff have identified them earlier) to self-isolate cover can be claimed until the end of October when rates will be reviewed and principles updated if necessary – for example if there is a significant fall.

In all cases where teaching staff are not able to physically attend school it is expected that schools used the digital channels available to then to enable staff to work and teach where possible from home to minimise costs.

*Breakfast / after school clubs / lunch time supervisors / PPA cover* – bubbles are no longer required, therefore funding for additional cover is no longer eligible.

*Care taking staff and admin staff* – cover is not eligible.

*Printing/postage* – not eligible – should be covered by existing budgets.

*Additional materials or resources* - not eligible - should be covered by existing budgets.

*Outdoor structures* – no longer eligible, where construction has been delayed because of availability if the order date is before the end of the summer 2021 term then a 50% contribution will be paid.

*Social distancing equipment* – no longer eligible.

### **Local authority costs**

*IT* – hardware or software costs are no longer eligible as a contribution to the initial investment of ongoing assets was met last year.

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*DSE equipment for homeworking* – no longer eligible.

*Webcasts of funerals* – no longer eligible.

*Staff costs* – costs of overtime / short term additional staff to deliver services are eligible. Where authorities are administering schemes for Welsh Government any additional costs in excess of the admin funding provided are eligible. Where central services teams are incurring overtime or require short term additional staff this is eligible only where it cannot be managed through flexible working arrangements.

*Front line staff costs* – where staff are unable to work from home the following can be claimed until the end of October when the rates will be reviewed and principles amended if necessary (for example if rates reduce significantly):

- Short term Covid related sickness
- Self isolation if contacted by track and trace and not double vaccinated
- Caring responsibilities for someone who has to self-isolate who cannot be left alone if no other arrangements can be put in place (for example children aged 13 and under).

*Long Covid - Sickness cover* for staff absence due to long Covid is not eligible and should be covered by local authorities' long term sickness policies. The decision to pay full pay for those with long Covid was made by local authorities.

*Training* – not eligible, it is expected that existing budgets will be repurposed.

*Communication* – not eligible it is expected that existing budgets will be repurposed.

## **Waste**

Eligible additional costs include additional vehicle hire for additional collections and overtime or extra staff to address increased waste collection needed.

Staff costs – see front line staff costs above.

Additional costs related to increased tonnage as a result of homeworking is also an eligible cost – but funding will be reduced to 50%.

## **Enforcement**

Costs relating to additional enforcement officers / marshals continue to be eligible including any IT costs.

## **Protect**

Any additional costs of supporting people who have to self-isolate and are unable to have assistance from family, friends or neighbours are eligible. Shielding has now ended therefore any support relating to people who have previously shielded should

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come from existing budgets. There are a number of pilots underway linked to Protect, these are eligible to claim.

### **Opening of the visitor economy**

Separate guidance has been circulated.



Opening up the  
visitor economy.pdf

### **Field hospitals / vaccination centres**

Costs should be covered by the relevant health board. Vaccination of young people should be covered by health board vaccination programmes. Vaccinations are expected to take place on school premises or at centres outside of school hours and therefore costs are not expected to fall to the hardship fund.

### **Self Isolation Payments**

The scheme has been extended until the end of the year.

[Self-isolation support scheme | GOV.WALES](#)

### **SSP enhancement scheme**

The scheme has been extended until the end of the year.

[COVID-19 statutory sick pay enhancement scheme | GOV.WALES](#)

### **Care home testing**

Policy team considering requirements.

### **Care home pods**

This scheme has now ended.

### **Summer holiday childcare**

This scheme has now ended.

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## **Flooding**

This scheme has now ended.

## **Assessment process**

Assessment of claims will be completed by a panel consisting of Welsh Government local government finance policy team members, policy team leads, one internal independent member and one external independent member with experience in local government finance. We may need to ask for further information where descriptions of claim items are not clear or where the item is only occurring in one authority's claim.

Where a local authority disputes a panel decision and provides a rationale this will be considered at the next panel meeting. Subsequently if still in contention the view of SWT exec will be sought.

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**Table A – areas of change are in red.**

Service	Allowable	Disallowed
<b>Education</b>	<ul style="list-style-type: none"> <li>• Appropriate levels of school cleaning (in line with other communicable diseases). Localised deep cleaning where there has been a cluster of cases</li> <li>• Cover for staff where they are 28+ weeks pregnant and are not able to working within the school setting following a risk assessment</li> <li>• Cover for staff who are clinically extremely vulnerable if a risk assessment has advised them to be redeployed or work from home.</li> <li>• PPE</li> <li>• Facemasks for staff and students if guidance requires them</li> </ul> <p>Allowable until October and then will be reviewed dependent on rates:</p> <ul style="list-style-type: none"> <li>• Teacher / classroom assistant cover where staff are off sick with Covid, reaction to vaccination, self-isolating or caring for dependents who cannot be left alone who are self isolating</li> </ul>	<ul style="list-style-type: none"> <li>• Resources and materials</li> <li>• Printing and photocopying</li> <li>• Postage</li> <li>• Cover costs for caretakers or admin staff</li> <li>• Social distancing equipment</li> <li>• Additional costs of teaching assistants or lunchtime supervisors to maintain bubbles at breakfast clubs, after school clubs or break times</li> <li>• IT hardware for home schooling in excess of EdTech programme</li> <li>• IT software if required provision not available through Hwb</li> <li>• Furniture to enable social distancing</li> <li>• Staff cover for long Covid</li> </ul>
<b>Environmental and Regulatory</b>	<ul style="list-style-type: none"> <li>• Overtime / additional staff costs for additional collections</li> </ul>	<ul style="list-style-type: none"> <li>• Increased waste tonnages – 50%</li> </ul>

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Service	Allowable	Disallowed
	<ul style="list-style-type: none"> <li>• Increased waste tonnages – 50%</li> <li>• Increased cost of recycling</li> </ul> <p>Allowable until October and then will be reviewed dependent on rates:</p> <ul style="list-style-type: none"> <li>• Additional cover costs where staff are off sick with Covid, reaction to vaccination, self-isolating or caring for dependents who cannot be left alone who are self isolating.</li> </ul>	<ul style="list-style-type: none"> <li>• Vehicle costs due to social distancing</li> </ul>
<b>Central Services</b>	<ul style="list-style-type: none"> <li>• Increased cleaning</li> <li>• Protective equipment eg. screens</li> <li>• Additional staff costs to meet additional service delivery</li> <li>• Any excess staff costs over admin allocation for delivery of Welsh Government schemes.</li> </ul> <p>Allowable until October and then will be reviewed:</p> <ul style="list-style-type: none"> <li>• Front line staff additional cover costs where staff are off sick with Covid, reaction to vaccination, self-isolating or caring for dependents who cannot be left alone who are self isolating</li> <li>•</li> </ul>	<ul style="list-style-type: none"> <li>• IT hardware costs</li> <li>• IT software costs</li> <li>• Communication costs</li> <li>• DSE equipment / homeworking equipment</li> <li>• Social distancing markers etc</li> </ul>
<b>Homelessness support</b>	<ul style="list-style-type: none"> <li>• Accommodation</li> <li>• Security</li> <li>• Subsistence where necessary</li> </ul>	<ul style="list-style-type: none"> <li>• Furniture and white goods</li> <li>• Inflationary increases in accommodation costs</li> </ul>

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Service	Allowable	Disallowed
<b>Adult Social Services – specific scheme</b>	<ul style="list-style-type: none"> <li>• Temporary uplifts</li> <li>• Voids</li> </ul>	<ul style="list-style-type: none"> <li>• Local sectoral support / unexpected costs</li> </ul>
<b>Adult Social Services – general</b>	<ul style="list-style-type: none"> <li>• Additional staffing required for day centres</li> <li>• Additional cleaning / safety measures in day centres to protect vulnerable clients</li> <li>• Increased direct payments where individual is unable to attend day centre.</li> </ul>	<ul style="list-style-type: none"> <li>• Social distancing costs in day centres</li> </ul>
<b>Children’s Social Services</b>	<ul style="list-style-type: none"> <li>• Additional cost of extended placements or new placements as a direct result of Covid</li> <li>• Additional social worker costs</li> <li>• Additional staffing required</li> </ul>	
<b>Free school meals</b>	<ul style="list-style-type: none"> <li>• School holidays</li> <li>• Self isolation being reviewed</li> </ul>	<ul style="list-style-type: none"> <li>• Self isolation by choice</li> </ul>