

## APPENDIX C

### Grant Funding

	2017-18 Budget £	2018-19 Indicative £	Change £	Paragraph
New Homes Bonus	-13.053	-9.778	-3.275	C.1
Public Health Grant	-28.194	-27.469	-0.725	C.3
Autumn statement measures grant	-2.320	-2.320		C.4
ESG	-0.711	0	-0.711	C.6
Adult Social Care Support Grant (one year only)	-1.577	0	1.577	C.7
<b>Grant funding</b>	<b>-45.855</b>	<b>-39.567</b>	<b>6.288</b>	

### New Homes Bonus

- C.1. The New Homes Bonus (NHB) commenced in 2010-11. It is calculated on the amount of extra council tax revenue raised from new-build homes and long-term empty homes brought back into use. There is also payment for providing affordable homes. This was intended to release resources for local authorities to pay for the increased services resulting from the growth in dwellings.
- C.2. In 2017-18, there was a reduction in this grant (moving from being calculated on a six year basis to five years). From 2018-19 this reduces again to four years. The provisional figure announced in the DCLG settlement for Southwark in 2018-19 is £9.778m (this is over a 40% reduction when compared to the 2016-17). There could be variances between the indicative grant and the actual allocations and so further modelling will need to be undertaken to calculate NHB for 2018-19 and 2019-20.

### Public Health Grant and Commissioning of 0-5 children's public health services

- C.3. The Chancellor's Autumn Statement in 2016 confirmed that local authority funding for public health would be reduced by an average of 3.9% in real terms per annum over the five years to 2020. This equates to a reduction in cash terms of 9.6% over the same period. In 2018-19, this grant reduction equates to an estimated £0.694m (to £27.500m) whilst cost pressures and demand for public health services continues to rise.

### Autumn Statement Measures Grant

- C.4. There has been no announcement to date with regard to 2018-19 allocations of the autumn statement measures grant. Current budget estimates assume that this grant will be paid at least at the 2017-18.
- C.5. In addition, this grant will need to be updated to reflect the new business rate relief funding referred to in paragraph 29 above.

### Education Services Grant (ESG)

- C.6. The Education Services Grant ceases in August 2017 (previously £2.608m in 2016-17). For 2017-18 only the Schools Forum agreed transitional support from the Dedicated Schools Grant. As reported in February 2017, the ESG currently funds the school improvement service and work is underway to transition to new ways of

working under new funding model during the coming year.

### **Adult Social Care Support Grant**

- C.7. The adult social care support grant was one-off funding for 2017-18 specifically for local authorities which enabled this grant to be used more flexibly than the more complex governance arrangements for the Better Care Fund.